

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED BALANCE SHEETS
AS OF 30 SEPTEMBER 2006 AND 31 DECEMBER 2005

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

ASSETS	Note	<i>Audited</i> 30.09.2006	<i>Audited</i> 31.12.2005
Current Assets		3.557.602	3.223.547
Cash and Cash Equivalents	4	456.673	621.778
Marketable Securities (net)	5	--	--
Trade Receivables (net)	7	1.357.061	1.367.201
Financial Lease Receivables (net)	8	--	--
Due from Related Parties	9	3.131	1.815
Other Receivables (net)	10	68.643	32.561
Biological Products (net)	11	--	--
Inventory (net)	12	1.468.086	1.030.443
Construction Contracts Work in Progress	13	26.348	17.273
Deferred Tax Asset	14	18.648	47.780
Other Current Assets	15	159.012	104.696
Non - Current Assets		1.267.146	1.110.828
Trade Receivables (net)	7	17.589	13.085
Financial Lease Receivables (net)	8	--	--
Due from Related Parties	9	--	--
Other Receivables (net)		--	--
Investments (net)	16	2.373	3.067
Positive/Negative Goodwill (net)	17	213.546	79.812
Investment Property (net)	18	--	--
Property, Plant And Equipment, Net	19	978.403	951.448
Intangible Assets, Net	20	17.145	17.158
Deferred Tax Asset	14	7.736	13.091
Other Non-Current Assets	15	30.354	33.167
TOTAL ASSETS		4.824.748	4.334.375

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

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CONSOLIDATED BALANCE SHEETS
AS OF 30 SEPTEMBER 2006 AND 31 DECEMBER 2005

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

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	<i>Audited</i> 30.09.2006	<i>Audited</i> 31.12.2005
Current Liabilities		3.093.159	2.510.061
Borrowings (net)	6	350.387	138.060
Current Instalments Of Long Term Loans (net)	6	225.019	29.981
Financial Lease Liabilities (net)	8	2.733	3.893
Other Financial Liabilities (net)		--	--
Trade Payables (net)	7	2.302.071	2.063.321
Due to Relates Parties (net)	9	14.308	7.934
Advances Received	21	58.881	18.373
Deferred billings (net)	13	29.020	20.263
Expense Accruals	23	69.570	146.425
Deferred Tax Liability	14	8.267	49.582
Other Liabilities (net)	10	32.903	32.229
Non -Current Liabilities		539.856	613.510
Borrowings (net)	6	471.561	522.643
Financial Lease Liabilities (net)	8	1.640	2.954
Other Financial Liabilities (net)		--	--
Trade Payables (net)	7	--	--
Due to Relates Parties (net)	9	778	--
Advances Received	21	--	--
Expense Accruals	23	20.277	18.456
Deferred Tax Liability	14	45.360	68.981
Other Liabilities (net)		240	476
MINORITY INTERESTS	24	118.074	155.475
SHAREHOLDER'S EQUITY		1.073.659	1.055.329
Share capital	25	159.100	159.100
Investment and Capital net-off		--	--
Capital Reserves	26	889.135	810.659
Premium in access of par		79.191	--
Profit on cancelled shares		--	--
Revaluation reserve of tangible fixed assets		--	--
Revaluation reserve of equity participations		1.911	2.626
Equity Inflation Adjustment Differences		808.033	808.033
Profit Reserves	27	287.318	227.043
Legal Reserves		20.817	17.982
Special Reserves		--	--
Extraordinary Reserves		264.719	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		1.760	(2.017)
Net Profit for the period		(33.940)	86.400
Retained Loss	28	(227.954)	(227.873)
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		4.824.748	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 NINE MONTH PERIOD ENDED 30 SEPTEMBER 2006

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

	Note	<i>Audited</i> 01.01- 30.09.2006	<i>Audited</i> 01.01- 30.09.2005
BASIC OPERATING INCOME			
Sales (net)	36	3.633.457	2.912.888
Cost of Sales (-)		(2.905.456)	(2.485.397)
GROSS PROFIT		728.001	427.491
Operating expenses (-)	37	(443.356)	(350.195)
BASIC OPERATING PROFIT (NET)		284.645	77.296
Other Income	38	314.802	277.610
Other Expenses (-)	38	(101.708)	(112.072)
Financing Expenses (-)	39	(543.791)	(162.782)
OPERATING PROFIT		(46.052)	80.052
Net Monetary Gain	40	--	--
Minority Interest	24	(5.020)	(33.777)
PROFIT BEFORE TAX		(51.072)	46.275
Taxes	41	17.132	73
NET INCOME FOR THE PERIOD		(33.940)	46.348
EARNINGS PER SHARE (YTL)	42	(0,02)	0,03

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VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED CASH FLOW STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2006
(All amounts in thousand New Turkish Lira unless stated otherwise)

Audited

01.01-

30.09.2006

CASH FLOWS FROM OPERATING ACTIVITIES	Note	01.01- 30.09.2006
Net income before tax		(51.072)
Adjustment to reconcile net income to net cash provided from operating activities:		
Depreciation and amortization		99.557
Provision for retirement pay	23	2.946
Provision for diminution in value of inventories		1.882
Provision for doubtful accounts		1.880
Minority interests		10.449
Loss on sale of property, plant, equipment		(605)
Increase and decrease in other provisions		(64.221)
Interest income		(30.871)
Interest expense		23.168
Operating profit before changes in working capital		(6.887)
Changes in trade receivables		1.911
Changes in related parties		1.020
Changes in inventory		(439.456)
Changes in other current assets		(95.502)
Changes in trade payables		236.282
Changes in other current liabilities		33.501
Retirement pay	23	1.912
Net cash provided by operating activities		(267.219)
Cash flows from investing activities		
Purchases of subsidiary & participation	43	(1.619)
Purchases of property, plant, equipment	19	(120.026)
Purchases of intangible fixed assets	20	(137.261)
Increase in investments	16	(17)
Decrease in available for sale assets	16	(4)
Net cash used in investing activities		(258.927)
Cash flows from financing activities		
Changes in borrowings, net		389.837
Changes in financial lease, net		(2.474)
Interest paid	39	(57.193)
Interest received	38	30.871
Net cash used in financing activities		361.041
Changes in cash and cash equivalents		(165.105)
Cash and cash equivalents at beginning of period		621.778
Cash and cash equivalents at end of period		456.673

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