

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED BALANCE SHEETS
AS OF 30 JUNE 2007 AND 31 DECEMBER 2006

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

ASSETS	Note	<i>Audited</i> 30.06.2007	<i>Audited</i> 31.12.2006
Current Assets		2.944.675	3.433.972
Cash and Cash Equivalents	4	480.284	588.448
Marketable Securities (net)	5	--	--
Trade Receivables (net)	7	979.758	1.348.640
Financial Lease Receivables (net)	8	--	--
Due from Related Parties	9	3.989	2.526
Other Receivables (net)	10	65.424	38.164
Biological Products (net)	11	--	--
Inventory (net)	12	1.219.085	1.242.032
Construction Contracts Work in Progress	13	33.225	23.618
Deferred Tax Asset	14	21.904	25.023
Other Current Assets	15	141.006	165.521
Non - Current Assets		1.290.043	1.274.137
Trade Receivables (net)	7	14.178	14.803
Financial Lease Receivables (net)	8	--	--
Due from Related Parties	9	--	--
Other Receivables (net)	10	1.994	--
Investments (net)	16	1.412	1.494
Positive/Negative Goodwill (net)	17	210.019	213.315
Investment Property (net)	18	--	--
Property, Plant And Equipment, Net	19	1.015.593	993.010
Intangible Assets, Net	20	13.232	15.657
Deferred Tax Asset	14	5.901	8.433
Other Non-Current Assets	15	27.714	27.425
TOTAL ASSETS		4.234.718	4.708.109

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

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CONSOLIDATED BALANCE SHEETS
AS OF 30 JUNE 2007 AND 31 DECEMBER 2006
(All amounts in thousand New Turkish Lira unless stated otherwise)

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	<i>Audited</i> 30.06.2007	<i>Audited</i> 31.12.2006
Current Liabilities		2.493.597	2.980.877
Borrowings (net)	6	173,942	318,529
Current Installments Of Long Term Loans (net)	6	166,275	202,843
Financial Lease Liabilities (net)	8	2,083	2,277
Other Financial Liabilities (net)		--	--
Trade Payables (net)	7	1,967,497	2,302,364
Due to Relates Parties (net)	9	11,528	7,629
Advances Received	21	29,354	17,489
Deferred billings (net)	13	31,945	31,007
Expense Accruals	23	62,866	56,251
Deferred Tax Liability	14	4,337	3,752
Other Liabilities (net)	10	43,770	38,736
Non -Current Liabilities		514,435	464,296
Borrowings (net)	6	451,999	393,616
Financial Lease Liabilities (net)	8	211	1,043
Other Financial Liabilities (net)		--	--
Trade Payables (net)	7	15	--
Due to Relates Parties (net)	9	--	--
Advances Received	21	--	--
Expense Accruals	23	18,325	21,447
Deferred Tax Liability	14	43,810	47,924
Other Liabilities (net)	10	75	266
MINORITY INTERESTS	24	130,925	128,343
SHAREHOLDER'S EQUITY		1,095,761	1,134,593
Share capital	25	159,100	159,100
Investment and Capital net-off		--	--
Capital Reserves	26	904,740	888,449
Premium in access of par		79,191	79,191
Profit on cancelled shares		--	--
Revaluation reserve of tangible fixed assets		--	--
Revaluation reserve of equity participations		1,160	1,225
Equity Inflation Adjustment Differences		808,033	808,033
Other Capital Reserves		16,356	
Profit Reserves	27	343,658	314,005
Legal Reserves		26,385	20,938
Special Reserves		--	--
Extraordinary Reserves		294,420	266,056
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		22,831	26,989
Net Profit for the period		-35,262	296
Retained Loss	28	-276,475	-229,921
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		4,234,718	4,708,109

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF INCOME
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

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

		<i>Audited</i>	<i>Audited</i>
	Note	01.01-30.06.2007	01.01-30.06.2006
BASIC OPERATING INCOME			
Sales (net)	36	2,105,153	2,533,171
Cost of Sales (-)		-1,872,996	-1,988,014
GROSS PROFIT		232,157	545,157
Operating Expenses	37	-300,681	-276,888
BASIC OPERATING PROFIT (NET)		-68,524	268,269
Other Income	38	368,899	260,183
Other Expenses (-)	38	-204,971	-123,017
Financing Expenses (-)	39	-99,060	-516,369
OPERATING PROFIT		-3,656	-110,934
Net Monetary Gain	40	--	--
Minority Interest	24	-11,437	-3,284
PROFIT BEFORE TAX		-15,093	-114,218
Taxes	41	-20,169	30,144
NET INCOME FOR THE PERIOD		-35,262	-84,074
EARNINGS PER SHARE (YTL)	42	-0.02	-0.05

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED CASH FLOW STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007
(All amounts in thousand New Turkish Lira unless stated otherwise)

		<i>Audited</i> 01.01-	<i>Audited</i> 01.01-
CASH FLOWS FROM OPERATING ACTIVITIES	Note	30.06.2007	30.06.2006
Net income before tax		-15,093	-114,218
Adjustment to reconcile net income to net cash provided from operating activities:		76,789	15,869
Depreciation and amortization		73,422	65,045
Provision for retirement pay	23	2,874	2,601
Provision for diminution in value of inventories		2,297	1,731
Provision for doubtful accounts		-2,343	1,958
Minority interests		3,375	8,806
Loss on sale of property, plant, equipment		-323	-53
Increase and decrease in other provisions		2,398	-78,270
Interest income		-14,891	-19,113
Interest expense		9,980	33,164
Operating profit before changes in working capital		61,696	-98,349
Changes in trade receivables		374,069	48,675
Changes in related parties		2,436	-551
Changes in inventory		20,650	-234,823
Changes in other current assets		-14,635	-97,034
Changes in trade payables		-329,517	173,602
Changes in other current liabilities		-19,888	41
Retirement pay	23	5,996	1,849
Net cash provided by operating activities		100,807	-206,590
Cash flows from investing activities			
Purchases of subsidiary & participation		-140	-1,619
Purchases of property, plant, equipment	19	-93,509	-93,318
Purchases of intangible fixed assets	20	3,548	-136,071
Increase in investments	16	17	--
Decrease in available for sale assets	16	--	18
Net cash used in investing activities		-90,084	-230,990
Cash flows from financing activities			
Changes in borrowings, net		-173,545	219,463
Changes in financial lease, net		-1,026	-1,605
Interest paid	39	40,793	-23,400
Interest received	38	14,891	19,113
Net cash used in financing activities		-118,887	213,571
Changes in cash and cash equivalents		-108,164	-224,009
Cash and cash equivalents at beginning of period		588,448	621,778
Cash and cash equivalents at end of period		480,284	397,769

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