

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

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

ASSETS	Note	<i>Audited</i> 30.09.2007	<i>Audited</i> 31.12.2006
Current Assets		2,987,195	3,433,972
Cash and Cash Equivalents	4	457,753	588,448
Marketable Securities (net)	5	--	--
Trade Receivables (net)	7	1,044,070	1,348,640
Financial Lease Receivables (net)	8	--	--
Due from Related Parties	9	8,696	2,526
Other Receivables (net)	10	66,090	38,164
Biological Products (net)	11	--	--
Inventory (net)	12	1,246,639	1,242,032
Construction Contracts Work in Progress	13	30,290	23,618
Deferred Tax Asset	14	28,391	25,023
Other Current Assets	15	105,266	165,521
Non - Current Assets		1,277,124	1,274,137
Trade Receivables (net)	7	14,043	14,803
Financial Lease Receivables (net)	8	--	--
Due from Related Parties	9	--	--
Other Receivables (net)	10	--	--
Investments (net)	16	1,742	1,494
Positive/Negative Goodwill (net)	17	209,717	213,315
Investment Property (net)	18	--	--
Property, Plant And Equipment, Net	19	1,010,676	993,010
Intangible Assets, Net	20	12,445	15,657
Deferred Tax Asset	14	6,040	8,433
Other Non-Current Assets	15	22,461	27,425
TOTAL ASSETS		4,264,319	4,708,109

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED BALANCE SHEETS
AS OF 30 SEPTEMBER 2007 AND 31 DECEMBER 2006
(All amounts in thousand New Turkish Lira unless stated otherwise)

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	<i>Audited</i> 30.09.2007	<i>Audited</i> 31.12.2006
Current Liabilities		2,509,854	2,980,877
Borrowings (net)	6	314,868	318,529
Current Installments Of Long Term Loans (net)	6	174,616	202,843
Financial Lease Liabilities (net)	8	1,205	2,277
Other Financial Liabilities (net)		--	--
Trade Payables (net)	7	1,821,310	2,302,364
Due to Relates Parties (net)	9	13,334	7,629
Advances Received	21	43,325	17,489
Deferred billings (net)	13	28,913	31,007
Expense Accruals	23	74,971	56,251
Deferred Tax Liability	14	3,873	3,752
Other Liabilities (net)	10	33,439	38,736
Non -Current Liabilities		519,876	464,296
Borrowings (net)	6	453,936	393,616
Financial Lease Liabilities (net)	8	201	1,043
Other Financial Liabilities (net)		--	--
Trade Payables (net)	7	15	--
Due to Relates Parties (net)	9	--	--
Advances Received	21	--	--
Expense Accruals	23	18,820	21,447
Deferred Tax Liability	14	46,831	47,924
Other Liabilities (net)	10	73	266
MINORITY INTERESTS	24	132,531	128,343
SHAREHOLDER'S EQUITY		1,102,058	1,134,593
Share capital	25	159,100	159,100
Investment and Capital net-off		--	--
Capital Reserves	26	905,070	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		1,490	1,225
Equity Inflation Adjustment Differences		808,033	808,033
Other Capital Reserves		16,356	
Profit Reserves	27	347,094	314,005
Legal Reserves		26,451	20,938
Special Reserves		--	--
Extraordinary Reserves		297,844	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		22,777	26,989
Net Profit for the period		-29,754	2,960
Retained Loss	28	-279,452	-229,921
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		4,264,319	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 NINE MONTH PERIOD ENDED 30 SEPTEMBER 2007

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

		<i>Audited</i>	<i>Audited</i>
	Note	01.01- 30.09.2007	01.01- 30.09.2006
BASIC OPERATING INCOME			
Sales (net)	36	3,261,537	3,633,457
Cost of Sales (-)		-2,903,924	-2,905,456
GROSS PROFIT		357,613	728,001
Operating Expenses	37	-501,672	-443,356
BASIC OPERATING PROFIT (NET)		-144,059	284,645
Other Income	38	795,699	314,802
Other Expenses (-)	38	-447,183	-101,708
Financing Expenses (-)	39	-196,995	-543,791
OPERATING PROFIT		7,462	-46,052
Net Monetary Gain	40	--	--
Minority Interest	24	-12,258	-5,020
PROFIT BEFORE TAX		-4,796	-51,072
Taxes	41	-24,958	17,132
NET INCOME FOR THE PERIOD		-29,754	-3,394
EARNINGS PER SHARE (YTL)	42	-0.02	-0.02

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED CASH FLOW STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2007

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

		<i>Audited</i> 01.01- 30.09.2007	<i>Audited</i> 01.01- 30.09.2006
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income before tax		-4,796	-51,072
Adjustment to reconcile net income to net cash provided from operating activities:		179,587	44,185
Depreciation and amortization		114,904	99,557
Provision for retirement pay	23	3,662	2,946
Provision for diminution in value of inventories		2,308	1,882
Provision for doubtful accounts		2,279	1,880
Minority interests		5,494	10,449
Loss on sale of property, plant, equipment		2,079	-605
Increase and decrease in other provisions		3,042	-64,221
Interest income		-22,124	-30,871
Interest expense		67,943	23,168
Operating profit before changes in working capital		174,791	-6,887
Changes in trade receivables		309,221	1,911
Changes in related parties		-465	1,020
Changes in inventory		-6,915	-439,456
Changes in other current assets		30,621	-95,502
Changes in trade payables		-476,859	236,282
Changes in other current liabilities		-20,115	33,501
Retirement pay		6,289	1,912
Net cash provided by operating activities		16,568	-267,219
Cash flows from investing activities			
Purchases of subsidiary & participation		-140	-1,619
Purchases of property, plant, equipment	19	-132,068	-121,098
Purchases of intangible fixed assets	20	-381	-141,827
Increase in investments	16	4,610	6,243
Decrease in available for sale assets	16	17	-17
		--	-4
Net cash used in investing activities		-127,962	-258,322
Cash flows from financing activities			
Changes in borrowings, net		-815	389,837
Changes in financial lease , net		-1,914	-2,474
Interest paid	39	-38,696	-57,193
Interest received	38	22,124	30,871
Net cash used in financing activities		-19,301	361,041
Changes in cash and cash equivalents		-130,695	-1,645
Cash and cash equivalents at beginning of period		588,448	621,778
Cash and cash equivalents at end of period		457,753	457,278

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

