

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED BALANCE SHEETS
AS OF 31 DECEMBER 2008 AND 31 DECEMBER 2007

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

ASSETS	Note	<i>Audited</i> 31.12.2008	<i>Audited</i> 31.12.2007
Current Assets		2,473,012	2,943,673
Cash and Cash Equivalents	5	343,148	466,104
Marketable Securities (net)	6	--	59,465
Trade Receivables (net)	8	1,148,066	1,119,101
Other Receivables (net)	9	47,626	80,338
Inventory (net)	10	786,392	1,093,117
Construction Contracts Work in Progress	11	48,133	44,554
Other Current Assets	18	99,647	80,994
Non - Current Assets		1,399,116	1,330,099
Trade Receivables (net)	8	1,349	233
Other Receivables (net)	9	10,152	6,208
Investments (net)	6	794	1,713
Positive/Negative Goodwill (net)	14	207,220	210,391
Investment Property (net)	18	--	--
Property, Plant And Equipment, Net	12	984,067	994,934
Intangible Assets, Net	13	116,112	56,471
Deferred Tax Asset	26	63,626	38,962
Other Non-Current Assets	18	15,796	21,187
TOTAL ASSETS		3,872,128	4,273,772

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

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CONSOLIDATED BALANCE SHEETS
AS OF 31 DECEMBER 2008 AND 31 DECEMBER 2007

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

Audited

Audited

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	31.12.2008	31.12.2007
Current Liabilities		2,507,753	2,476,033
Borrowings (net)	7	306,894	236,947
Trade Payables (net)	8	1,993,559	2,061,719
Due to Related Parties (net)	9	7,516	1,950
Deferred billings (net)	11	47,400	45,654
Provisions	16	96,459	57,637
Deferred Tax Liability	26	587	11,642
Other Liabilities (net)	18	55,338	60,484
Non -Current Liabilities		497,026	509,476
Borrowings (net)	7	406,900	425,417
Trade Payables (net)		1,351	--
Other Payables	9	63	112
Reserve for Retirement Pay	17	17,883	19,208
Deferred Tax Liability	26	58,212	53,039
Provisions	16	12,617	11,700
SHAREHOLDER'S EQUITY		867,349	1,288,263
Paid in capital	19.a	175,456	159,100
Adjustments to Equity	19.b	688,315	688,315
Share Premium	19.c	79,191	79,191
Revaluation reserve of equity participations	19.d	542	1,461
Translation gain/loss	19.e	15,680	20,938
Legal reserves	19.f	34,091	42,829
Previous years profits	19.g	148,505	138,110
Net income for the period		-408,064	18,013
MINORITY INTERESTS		133,633	140,306
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		3,872,128	4,273,772

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF INCOME
FOR THE TWELVE MONTH PERIOD ENDED 31 DECEMBER 2008

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

Note	<i>Audited</i> 01.01- 31.12.2008	<i>Audited</i> 01.01- 31.12.2007
BASIC OPERATING INCOME		
Sales (net)	4,693,941	4,627,008
Cost of Sales (-)	-3,793,814	-4,093,854
GROSS PROFIT	900,127	533,154
Marketing and selling expenses	-516,308	-457,311
General and administrative expenses	-147,769	-140,543
Research and development expenses	-30,879	-27,314
Other operating income	65,929	59,231
Other operating expense	-29,495	-50,055
OPERATING PROFIT (NET)	241,605	-82,838
Financing Income	1,004,134	842,189
Financing Expenses	-1,651,306	-692,624
PROFIT BEFORE TAXATION	-405,567	66,727
Tax on income from continuing operations		
Tax charge for the period	-10,082	-39,008
Deferred tax income	16,127	5,812
PROFIT BEFORE MINORITY INTEREST	-399,522	33,531
Minority Interest	8,542	15,518
NET PROFIT AFTER MINORITY INTEREST	-408,064	18,013
EARNINGS PER SHARE (YTL)	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 TWELVE MONTH PERIOD ENDED 31 DECEMBER 2008
(All amounts in thousand New Turkish Lira unless stated otherwise)

		<i>Audited</i>
		01.01-
CASH FLOWS FROM OPERATING ACTIVITIES	Note	31.12.2008
Continuing operations profit before tax		-405,567
Adjustment to reconcile net income to net cash provided from operating activities:	30	308,590
Operating profit before changes in assets and liabilities		
Net changes in asset&liabilities	30	188,306
Taxes paid		-29,314
Cash flows from operating activities		
		62,015
Cash flows from investing activities		
Purchases of property, plant, equipment		-120,629
Proceeds from sale of property, plant, equipment		8,616
Purchases of intangible fixed assets		-80,122
Cash flows from investing activities		
		-192,135
Cash flows from financing activities		
Proceeds from investment securities		59,465
Proceeds from borrowings		46,198
Dividends paid		-14,095
Interest paid		-68,218
Interest income		37,799
Net cash used in financing activities		
		61,149
Foreign Currency Translation Differences		-50,736
Changes in cash and cash equivalents		
		-119,707
Cash and cash equivalents as of January 1		
		462,658
Cash and cash equivalents as of December 31		
		342,951

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