

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED BALANCE SHEETS
AS OF 30 JUNE 2008 AND 31 DECEMBER 2007

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

ASSETS	Note	<i>Audited</i> 30.06.2008	<i>Audited</i> 31.12.2007
Current Assets		2,818,925	2,943,673
Cash and Cash Equivalents	5	582,698	466,104
Investment Securities	6	63,674	59,465
Trade Receivables (net)	8	993,905	1,119,101
Other Receivables (net)	9	52,831	80,338
Inventory (net)	10	988,950	1,093,117
Contract Cost	11	45,410	44,554
Other Current Assets	18	91,457	80,994
Non - Current Assets		1,346,507	1,330,099
Trade Receivables (net)	8	1,849	233
Other Receivables (net)	9	9,781	6,208
Investment Securities	6	1,856	1,713
Goodwill	14	210,651	210,391
Property, Plant And Equipment (net)	12	982,313	994,934
Intangible Assets (net)	13	77,508	56,471
Deferred Tax Asset	26	43,837	38,962
Other Non-Current Assets	18	18,712	21,187
TOTAL ASSETS		4,165,432	4,273,772

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

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CONSOLIDATED BALANCE SHEETS
AS OF 30 JUNE 2008 AND 31 DECEMBER 2007

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

		<i>Audited</i>	<i>Audited</i>
LIABILITIES AND SHAREHOLDERS' EQUITY	Note	31.06.2008	31.12.2007
Current Liabilities		2,497,794	2,476,033
Financial Liabilities	7	316,086	236,947
Trade Payables (net)	8	2,006,727	2,061,719
Other Payables	9	6,515	1,950
Deferred Billings	11	42,436	45,654
Provision for accrued liabilities and charges	16	65,352	57,637
Corporation Tax	26	9,524	11,642
Other Current Liabilities (net)	18	51,154	60,484
Non -Current Liabilities		466,079	509,476
Financial Liabilities	7	379,618	425,417
Other Payables	9	212	112
Employee termination benefits provision	17	20,928	19,208
Deferred Tax Liability	26	51,787	53,039
Provision for accrued liabilities and charges	16	13,534	11,700
SHAREHOLDER'S EQUITY		1,201,559	1,288,263
Paid in capital	19.a	159,100	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	1,605	1,461
Translation gain/loss	19.e	21,535	20,938
Legal reserves	19.f	49,961	42,829
Previous years profits	19.g	148,991	138,110
Net income for the period		(81,607)	18,013
MINORITY INTERESTS		134,468	140,306
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		4,165,432	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 THREE MONTH PERIOD ENDED 30 JUNE 2008

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

	Note	<i>Audited</i> 01.01- 30.06.2008	<i>Audited</i> 01.01- 30.06.2007
BASIC OPERATING INCOME			
Sales (net)	20	2,121,432	2,105,153
Cost of Sales (-)		-1,704,998	-1,872,996
GROSS PROFIT		416,434	232,157
Marketing and selling expenses	21	-238,039	-205,441
General and administrative expenses	21	-66,282	-68,198
Research and development expenses	21	-11,697	-27,041
Other operating income	23	25,356	35,852
Other operating expense	23	-13,464	-24,338
OPERATING PROFIT (NET)		112,308	-57,009
Financing Income	24	488,346	333,048
Financing Expenses	25	-665,366	-279,695
PROFIT BEFORE TAXATION		-64,712	-3,656
Tax on income from continuing operations			
Tax charge for the period	26	-13,535	-18,047
Deferred tax income	26	5,335	-2,122
PROFIT BEFORE MINORITY INTEREST		-72,912	-23,825
Minority Interest		8,695	11,437
NET PROFIT AFTER MINORITY INTEREST		-81,607	-35,262
EARNINGS PER SHARE (YTL)		(0,05)	(0,01)

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

VESTEL ELEKTRONİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED CASH FLOW STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 30 JUNE 2008
(All amounts in thousand New Turkish Lira unless stated otherwise)

Audited

01.01-

CASH FLOWS FROM OPERATING ACTIVITIES	Note	30.06.2008
Continuing operations profit before tax		-64,712
Adjustment to reconcile net income to net cash provided from operating activities:	30	123,379
Operating profit before changes in assets and liabilities		58,667
Net changes in asset & liabilities	30	170,971
Taxes paid		-15,653
Cash flows from operating activities		213,985
Cash flows from investing activities		
Purchases of property, plant, equipment		-56,681
Proceeds from sale of property, plant, equipment		1,483
Purchases of intangible fixed assets		-27,732
Cash flows from investing activities		-82,930
Cash flows from financing activities		
Proceeds from investment securities		-4,209
Changes in financial assets		--
Proceeds from borrowings		12,488
Dividends paid		-14,095
Interest paid		-24,676
Interest income		18,785
Net cash used in financing activities		-11,707
Foreign Currency Translation Differences		-12,373
Changes in cash and cash equivalents		106,975
Cash and cash equivalents as of January 1		462,658
Cash and cash equivalents as of June 30		569,633

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