

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

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

<b>ASSETS</b>	<b>Note</b>	<i>Audited</i> <b>30.09.2008</b>	<i>Audited</i> <b>31.12.2007</b>
<b>Current Assets</b>		<b>2,684,312</b>	<b>2,943,673</b>
Cash and Cash Equivalents	5	336,856	466,104
Investment Securities	6	64,693	59,465
Trade Receivables (net)	8	1,037,985	1,119,101
Other Receivables (net)	9	40,134	80,338
Inventory (net)	10	1,076,490	1,093,117
Contract Cost	11	40,578	44,554
Other Current Assets	18	87,576	80,994
<b>Non - Current Assets</b>		<b>1,342,046</b>	<b>1,330,099</b>
Trade Receivables (net)	8	4,379	233
Other Receivables (net)	9	9,599	6,208
Investments (net)	6	1,545	1,713
Goodwill (net)	14	210,546	210,391
Property, Plant And Equipment (net)	12	954,923	994,934
Intangible Assets (net)	13	97,274	56,471
Deferred Tax Asset	26	46,518	38,962
Other Non-Current Assets	18	17,262	21,187
<b>TOTAL ASSETS</b>		<b>4,026,358</b>	<b>4,273,772</b>

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

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**CONSOLIDATED BALANCE SHEETS**  
**AS OF 30 SEPTEMBER 2008 AND 31 DECEMBER 2007**

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

		<i>Audited</i>	<i>Audited</i>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>Note</b>	<b>30.09.2008</b>	<b>31.12.2007</b>
<b>Current Liabilities</b>		<b>2,410,354</b>	<b>2,476,033</b>
Financial Liabilities	7	298,898	236,947
Trade Payables (net)	8	1,936,882	2,061,719
Other Payables	9	3,443	1,950
Progress Payments	26	3,886	11,642
Provision for accrued liabilities and charges	16	68,706	57,637
Corporation Tax	11	38,236	45,654
Other Liabilities (net)	18	60,303	60,484
<b>Non -Current Liabilities</b>		<b>460,762</b>	<b>509,476</b>
Financial Liabilities	7	369,223	425,417
Other Payables	0	888	--
Employee termination benefits provision	9	66	112
Deferred Tax Liability	17	21,918	19,208
Provision for accrued liabilities and charges	16	13,559	11,700
<b>SHAREHOLDER'S EQUITY</b>		<b>1,155,242</b>	<b>1,288,263</b>
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	1,293	1,461
Translation gain/loss	19.e	22,435	20,938
Legal reserves	19.f	50,229	42,829
Previous years profits	19.g	148,723	138,110
Net income for the period		(132,088)	18,013
<b>MINORITY INTERESTS</b>		<b>138,044</b>	<b>140,306</b>
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>		<b>4,026,358</b>	<b>4,273,772</b>

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 2008**

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

	Note	<i>Audited</i> 01.01- 30.09.2008	<i>Audited</i> 01.01- 30.09.2007
<b>BASIC OPERATING INCOME</b>			
Sales (net)	20	3,035,439	3,261,537
Cost of Sales (-)		-2,470,776	-2,903,924
<b>GROSS PROFIT</b>		<b>564,663</b>	<b>357,613</b>
Marketing and selling expenses	21	-352,082	-345,153
General and administrative expenses	21	-101,040	-106,100
Research and development expenses	21	-17,685	-50,419
Other operating income	23	37,992	45,920
Other operating expense	23	-18,850	-32,286
<b>OPERATING PROFIT (NET)</b>		<b>112,998</b>	<b>-130,425</b>
Financing Income	24	751,894	749,781
Financing Expenses	25	-975,665	-611,894
<b>PROFIT BEFORE TAXATION</b>		<b>-110,773</b>	<b>7,462</b>
Tax on income from continuing operations			
Tax charge for the period	26	-14,229	-28,076
Deferred tax income	26	5,267	3,118
<b>PROFIT BEFORE MINORITY INTEREST</b>		<b>-119,735</b>	<b>-17,496</b>
Minority Interest		12,353	12,258
<b>NET PROFIT AFTER MINORITY INTEREST</b>		<b>-132,088</b>	<b>-29,754</b>
<b>EARNINGS PER SHARE (YTL)</b>		<b>(0,01)</b>	<b>(0,00)</b>

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 2008**

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

*Audited*

**01.01-**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>Note</b>	<b>30.09.2008</b>
Continuing operations profit before tax		-110,773
Adjustment to reconcile net income to net cash provided from operating activities:	30	188,669
<b>Operating profit before changes in assets and liabilities</b>		<b>77,896</b>
Net changes in asset & liabilities	30	-14,812
Taxes paid		-21,985
<b>Cash flows from operating activities</b>		<b>41,099</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant, equipment		-77,647
Proceeds from sale of property, plant, equipment		2,081
Purchases of intangible fixed assets		-51,338
<b>Cash flows from investing activities</b>		<b>-126,904</b>
<b>Cash flows from financing activities</b>		
Proceeds from investment securities		-5,228
Changes in financial assets		--
Proceeds from borrowings		-16,717
Dividends paid		-14,095
Interest paid		-38,475
Interest income		25,229
<b>Net cash used in financing activities</b>		<b>-49,286</b>
Foreign Currency Translation Differences		-2,268
<b>Changes in cash and cash equivalents</b>		<b>-137,359</b>
<b>Cash and cash equivalents as of January 1</b>		<b>462,658</b>
<b>Cash and cash equivalents as of June 30</b>		<b>325,299</b>

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