



(Convenience translation to English of Consolidated Financial Statements Originally Issued in Turkish)

İhlas Holding A.Ş. and its Subsidiaries

Consolidated Balance Sheet at June 30, 2017

(All amounts are expressed in Turkish Lira (TL) unless otherwise stated.)

	Current Period	Previous Period
	30/06/17	31/12/16
ASSETS		
CURRENT ASSETS	1.920.169.721	1.852.217.423
Cash and Cash Equivalents	37.342.076	24.202.969
Financial Investments	-	-
Trade Receivables	801.953.267	809.314.837
- Related parties	653.125	1.955.033
- Non-related parties	801.300.142	807.359.804
Receivables from Financial Sector Operations	-	-
- Related parties	-	-
- Non-related parties	-	-
Other Receivables	2.966.438	1.970.204
- Related parties	-	-
- Non-related parties	2.966.438	1.970.204
Derivative Financial Instruments	-	-
Inventories	780.600.665	802.538.784
Biological Assets	-	-
Prepaid Expenses	253.737.129	174.123.895
Assets related with Current Tax	356.376	1.210.730
Other Current Assets	42.808.852	38.856.004
SUBTOTAL	1.919.764.803	1.852.217.423
Assets Held for Sale	404.918	-
NON-CURRENT ASSETS	607.647.980	633.158.655
Financial Investments	914.306	914.306
Trade Receivables	50.694.557	77.359.737
- Related parties	-	-
- Non-related parties	50.694.557	77.359.737
Receivables from Financial Sector Operations	-	-
- Related parties	-	-
- Non-related parties	-	-
Other Receivables	1.791.722	1.534.771
- Related parties	-	-
- Non-related parties	1.791.722	1.534.771
Derivative Financial Instruments	-	-
Investments Accounted with Equity Method	14.077.570	14.073.825
Biological Assets	-	-
Investment Properties	216.324.813	211.824.813
Property, Plant and Equipment	248.263.386	247.653.049
Intangible Assets	20.148.613	19.876.581
- Goodwill	14.442.639	14.442.639
- Other Intangible Assets	5.705.974	5.433.942
Prepaid Expenses	1.393.008	2.031.534
Deferred Tax Asset	54.040.005	57.890.039
Other Non-Current Assets	-	-
TOTAL ASSETS	2.527.817.701	2.485.376.078

LIABILITIES AND SHAREHOLDERS' EQUITY		
SHORT TERM LIABILITIES	1.225.046.153	1.264.747.033
Short-Term Liabilities	105.592.294	128.019.895
Short-Term Portion of Long-Term Liabilities	48.738.876	54.314.120
Other Financial Liabilities	-	-
Trade Payables	181.778.153	178.985.966
- Related parties	5.837.323	4.104.891
- Non-related parties	175.940.830	174.881.075
Liabilities for employee benefits	19.481.315	19.644.225
Payables from Financial Sector Operations	-	-
- Related parties	-	-
- Non-related parties	-	-
Other Payables	8.219.249	3.435.653
- Related parties	492.000	250.000
- Non-related parties	7.727.249	3.185.653
Derivative Financial Instruments	-	-
Government Grants and Incentives	-	-
Deferred Income	818.119.959	833.583.347
Current Income Tax Liabilities	157.277	5.648.598
Short-Term Provisions	11.967.658	11.203.346
- Short-Term Provisions for employee benefits	-	-
- Other Short-Term Provisions	11.967.658	11.203.346
Other Current Liabilities	30.991.372	29.911.883
SUBTOTAL	1.225.046.153	1.264.747.033
Liabilities From Assets Held for Sale	-	-
LONG TERM LIABILITIES	493.616.111	432.167.809
Long-Term Liabilities	144.549.804	91.416.922
Other Financial Liabilities	-	-
Trade Payables	-	-
- Related parties	-	-
- Non-related parties	-	-
Payables from Financial Sector Operations	-	-
- Related parties	-	-
- Non-related parties	-	-
Other Payables	30.594	30.594
- Related parties	-	-
- Non-related parties	30.594	30.594
Derivative Financial Instruments	-	-
Government Grants and Incentives	-	-
Deferred Income	237.182.334	235.243.053
Long-Term Provisions	47.465.898	41.855.851
- Long-Term Provisions for employee benefits	46.185.815	40.635.156
- Other Long-Term Provisions	1.280.083	1.220.695
Current Tax Liability	-	-
Deferred Tax Liability	29.594.005	29.166.484
Other Long Term Liabilities	34.793.476	34.454.905
EQUITY	809.155.437	788.461.236
PARENT COMPANY EQUITY	521.657.312	503.173.740
Paid-in Capital	790.400.000	790.400.000
Adjustment to Paid-in Capital	-	-
Share Buyback (-)	-	-
Capital Adjustments due to Cross-Ownership	-	-
Equity Share Premiums	7.218.627	7.218.627
Other Comprehensive Income not to be Reclassified as Profit or Loss	92.244.482	94.747.995
- Profit/Loss on Revaluation Funds	97.681.199	97.681.199
- Other Profit/Loss	(5.438.893)	(2.958.805)
Other Capital Reserves	2.176	25.601
Other Comprehensive Income to be Reclassified as Profit or Loss	(39.136.614)	(39.020.867)
- Foreign Currency Translation Differences	-	-
- Profit/Loss on Hedging	-	-
- Profit/Loss on Revaluation Funds	-	-
- Other Profit/Loss	-	-
Restricted Reserves	21.239.925	20.067.133
Prior Years' Earnings/Loss	(371.411.940)	(433.327.470)
Profit/Loss for the period	21.102.832	63.088.322
Non-controlling Interests	287.498.125	285.287.496
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2.527.817.701	2.485.376.078

INCOME STATEMENT

	01.01.2017- 30.06.2017	01.01.2016- 30.06.2016
CONTINUING OPERATIONS		
Revenue	312.067.765	700.575.290
Cost of Sales	(227.363.737)	(537.853.677)
Gross Profit (Loss) from Commercial Operations	84.704.028	162.721.613
Revenue from Financial Operations	-	-
Cost of Financial Operations (-)	-	-
Gross Profit (Loss) from Financial Sector Operations	-	-
GROSS PROFIT/LOSS	84.704.028	162.721.613
Marketing Expenses (-)	(48.950.536)	(97.911.947)
General Administrative Expenses (-)	(17.230.563)	(8.417.937)
Research and Development Expenses (-)	(704.821)	(439.580)
Other Operating Income	79.271.836	66.560.647
Other Operating Expenses (-)	(33.219.350)	(29.756.145)
OPERATING PROFIT/LOSS	63.870.594	92.756.651
Revenue from Investing Activities	232.345	3.261.389
Expenses of Investing Activities (-)	(72.127)	(1.887.864)
Shares in Profit/Loss of Investments Accounted with Equity Method	42.330	(63.382)
PROFIT/LOSS BEFORE FINANCIAL EXPENSES	64.073.142	94.066.794
Financial Income	9.700.791	6.074.925
Financial Expenses (-)	(42.718.790)	(34.127.673)
PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS	31.055.143	66.014.046
Tax Income/Expense from Continuing Operations	(7.073.730)	2.011.171
- Current Tax Income/Expense	(1.979.358)	(1.165.404)
- Deferred Tax Income/Expense	(5.094.372)	3.176.575
PROFIT/LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS	23.981.413	68.025.217
PROFIT/LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS	-	-
PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS	-	-
CURRENT YEAR PROFIT / LOSS	23.981.413	68.025.217
Profit/Loss of the Period Attributable to:		
- Non-controlling Interests	2.878.581	13.649.242
- Equityholders of the Parent	21.102.832	54.375.975
Earnings Per Share	0,030	0,086
- Earnings Per Share from Continuing Operations	0,030	0,086
- Earnings Per Share from Discontinued Operations	-	-
Diluted Earnings Per Share	-	-
- Diluted Earnings Per Share from Continuing Operations	-	-
- Diluted Earnings Per Share from Discontinued Operations	-	-
 Comprehensive Income Statement (TL) (XI-29 CONSOLIDATED)		
CURRENT YEAR PROFIT / LOSS	23.981.413	68.025.217
Non-Classifiable Items to Profit/ (Loss)	-	-
Change in Revaluation of Property, Plant and Equipment	-	-
Change in Revaluation of Intangible Assets	-	-
Gains/Losses on Remeasurement of Defined Benefit Plans	(3.267.266)	978.875
Non-Classifiable Other Comprehensive Income of Investment Accounted with Equity Method	(45.436)	2.679
Non-Classifiable Items of Other Comprehensive Income as Other Profit/(Loss)	-	-
Tax due to Non-Classifiable Items of Other Comprehensive Income as Profit/(Loss)	-	-
Classifiable Items to Profit/ (Loss)	-	-
Foreign Currency Translation Differences	-	-
Gain/(Loss) on Revaluation or Reclassification of Available for Sale Financial Assets	-	-
Gain/(Loss) on Cash Flow Hedges	-	-
Gain/(Loss) on Hedge of Net Investment in a Foreign Operation	-	-
Classifiable Other Comprehensive Income of Investment Accounted with Equity Method	-	-
Classifiable Items of Other Comprehensive Income as Other Profit/(Loss)	-	-
OTHER COMPREHENSIVE INCOME (AFTER TAXES)	(3.312.702)	981.554
TOTAL COMPREHENSIVE INCOME	20.668.711	69.006.771
Total Comprehensive Income Attributable to:		
- Non-controlling Interests	2.069.392	13.660.453
- Equityholders of the Parent	18.599.319	55.346.318