Anadolu Isuzu Otomotiv
Sanayi ve Ticaret Anonim Şirketi

Convenience Translation Into English Of
Consolidated Financial Statements
Together With Review Report Of Independent Auditors
For The Interim Period 1 January - 30 June 2015

(Originally Issued In Turkish)

CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş.

CONSOLIDATED FINANCIAL STATEMENTS
FOR 1 JANUARY - 30 JUNE 2015

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CONSOLIDATED BALANCE SHEETS
AT 30 JUNE 2015 AND 31 DECEMBER 2014

	Note	30 June 2015	31 December 2014
ASSETS			
Current Assets		**605.520.510**	**577.973.787**
Cash and Cash Equivalents	**4**	84.398.532	111.118.458
Trade Receivables			
Due from Related Parties	**27**	141.049	1.611.811
Due from Other Parties	**7**	220.997.280	229.092.922
Other Receivables			
Due from Other Parties	**8**	9.873.893	532.869
Inventories	**9**	277.096.099	221.883.025
Prepaid Expenses	**16**	1.511.662	298.936
Other Current Assets	**16**	11.501.995	13.435.766
Non-current Assets		**123.024.711**	**114.663.437**
Financial Assets	**5**	-	-
Trade Receivables			
- Due from Other Parties	**8**	186	186
Other Receivables	**10**	85.012.217	78.011.614
Property, Plant and Equipment	**11**	35.638.845	34.290.920
Intangible Assets	**12**	2.340.995	2.340.995
Prepaid Expenses	**16**	32.468	19.722
TOTAL ASSETS		**728.545.221**	**692.637.224**

The accompanying notes form an integral part of these interim consolidated financial statements.

These consolidated financial statements as of and for the period 1 January - 30 June 2015 have been approved for issue by the Board of Directors ("BOD") on 12 August 2015 and signed on its behalf of BOD by Independent Member of Board of Directors (Chief of Audit Commite) Ahmet Cemal DÖRDÜNCÜ, Independent Member of Board of Directors (Member of Audit Commite) Kamil Ömer BOZER, General Manager Yusuf Tuğrul ARIKAN and Cheif Financial Officer Bora ÖNER.

CONSOLIDATED BALANCE SHEETS
AT 30 JUNE 2015 AND 31 DECEMBER 2014

	Note	30 June 2015	31 December 2014
LIABILITIES			
Current Liabilities		**346.279.037**	**314.051.734**
Financial Liabilities	**6**	70.298.734	75.804.666
Trade Payables			
Due to Related parties	**27**	171.849.438	142.568.720
Due to Other parties	**7**	78.603.687	73.573.992
Other Payables			
Due to Related parties	**27**	9.109	9.109
Due to Other parties	**8**	8.955.801	9.766.346
Liabilities for Employee Benefits	**8**	1.115.111	816.202
Deferred Revenue	**16**	752.430	1.005.023
Current Income Tax Liabilities	**25**	976.789	75.244
Provisions			
Provision for Employee Benefits	**14**	1.679.316	1.354.304
Other Provisions	**14**	12.038.622	9.078.128
Non-current Liabilities		**66.199.607**	**44.683.087**
Financial Liabilities	**6**	50.697.400	28.207.000
Deferred Revenues	**16**	1.582.927	1.683.193
Provisions			
Provision for Employment Termination Benefits	**15**	12.629.031	12.493.579
Deferred Tax Liabilities	**25**	1.290.249	2.299.315
EQUITY	**17**	**316.066.577**	**333.902.403**
Shareholders' Equity		**316.066.577**	**333.902.403**
Paid-in Capital		25.419.707	25.419.707
Adjustment to Share Capital		86.901.880	86.901.880
Other Comprehensive (Income)/Expenses Not to Be Reclassified to Statement of Income			
Gain on Revaluation and Reclassification		(123.114)	112.998
Restricted Reserves		162.363.654	159.657.537
Retained Earnings		31.047.813	27.468.021
Income for The Period		10.456.637	34.342.260
Non-controlling Interests	**17**	**-**	**-**
TOTAL LIABILITIES AND EQUITY		**728.545.221**	**692.637.224**

The accompanying notes form an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME FOR THE INTERIM PERIODS ENDED 1 JANUARY - 30 JUNE 2015 AND 2014

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	Note	01.01.2015-30.06.2015	01.01.2014-30.06.2014	01.04.2015-30.06.2015	01.04.2014-30.06.2014
CONTINUING OPERATIONS					
Revenue	**18**	444.623.245	323.490.718	259.670.633	167.078.284
Cost of Sales (-)	**18**	(367.880.569)	(264.949.219)	(217.298.392)	(139.379.061)
GROSS PROFIT		**76.742.676**	**58.541.499**	**42.372.241**	**27.699.223**
General Administrative Expenses (-)	**19**	(17.352.041)	(14.116.927)	(8.996.134)	(6.927.837)
Marketing, Selling and Distribution Expenses (-)	**19**	(32.981.032)	(25.355.092)	(18.578.002)	(13.712.334)
Research and Development Expenses (-)	**19**	(1.582.411)	(1.112.349)	(879.282)	(324.815)
Other Income	**21**	6.200.773	3.457.236	1.573.371	1.050.161
Other Expenses (-)	**21**	(16.588.039)	(5.108.160)	(1.057.829)	627.537
OPERATING PROFIT		**14.439.926**	**16.306.207**	**14.434.365**	**8.411.935**
Income from Investing Activities	**22**	64.373	56.673	61.108	55.362
Expenses from Investing Activities (-)	**22**	-	(33.771)	-	(27.052)
OPERATING PROFIT BEFORE FINANCIAL INCOME AND EXPENSES		**14.504.299**	**16.329.109**	**14.495.473**	**8.440.245**
Financial Expenses (-)	**24**	(15.246.563)	(9.814.124)	(9.878.649)	(3.063.411)
Financial Income	**23**	12.008.758	12.796.614	5.305.782	4.514.252
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		**11.266.494**	**19.311.599**	**9.922.606**	**9.891.086**
Income Tax (Expense)/Income from Continuing Operations		**(809.857)**	**(2.267.887)**	**(1.126.506)**	**(1.134.164)**
Taxes on Income (-)	**25**	(1.759.895)	(3.475.683)	(1.698.941)	(1.510.361)
Deferred Tax Income/(Expense)	**25**	950.038	1.207.796	572.435	376.197
NET INCOME FROM CONTINUING OPERATIONS		**10.456.637**	**17.043.712**	**8.796.100**	**8.756.922**
NET INCOME FOR THE YEAR		**10.456.637**	**17.043.712**	**8.796.100**	**8.756.922**
Attributable to:	17	**10.456.637**	**17.043.712**	**8.796.100**	**8.756.922**
Non-controlling Interests	**17**	-	-	-	-
Equity Holders of The Parent	**17**	10.456.637	17.043.712	8.796.100	8.756.922
Income per hundred shares	**26**	**0,4114**	**0,6705**	**0,3460**	**0,3445**
OTHER COMPREHENSIVE INCOME					
Items That Will Not Be Reclassified to Profit or Loss					
Remeasurements of provision for employment termination benefits	**15**	(295.140)	44.091	46.515	330.980
Tax effect of provision for employment termination benefits	**25**	59.028	(8.818)	(9.303)	(66.196)
OTHER COMPREHENSIVE INCOME(AFTER TAX)		**(236.112)**	**35.273**	**37.212**	**264.784**
TOTAL COMPREHENSIVE INCOME		**10.220.525**	**17.078.985**	**8.833.312**	**9.021.706**
Non-controlling interests		-	-	-	-
Equity Holders of The Parent		10.220.525	17.078.985	8.833.312	9.021.706

The accompanying notes form an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE INTERIM PERIODS ENDED 30 JUNE 2015 AND 2014
(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	Note	1 January - 30 June 2015	1 January - 30 June 2014
Operating activities:			
Net income	**17**	**10.456.637**	**17.043.712**
Adjustments to reconcile net cash generated:			
Depreciation	**10**	5.306.739	4.326.322
Amortisation	**11**	4.556.641	3.667.258
Provision for employee benefits	**15**	995.948	975.884
Income on taxes	**25**	809.857	2.267.887
Interest income	**23**	(4.942.352)	(9.657.034)
Interest expenses	**24**	4.922.499	4.919.123
Foreign exchange differences on borrowings		4.313.800	(446.000)
Other non-cash generating expenses, net		6.150.494	5.675.664
Gain on sales of property, plant and equipment	**22**	64.373	22.902
Net operating income before changes in assets and liabilities:		**32.634.636**	**28.795.718**
Changes in Assets and Liabilities:			
Net Decrease in Trade Receivables		7.021.732	28.315.633
Net (Increase)/Decrease in Inventories	**9**	(55.213.074)	(44.686.612)
Net (Increase)/Decrease in Other Current Assets	**8-16**	(8.619.979)	(6.135.753)
Net Decrease/(Increase) in Other Non-current Assets		(141.492)	972.986
Net Increase/(Decrease) in Trade Payables	**7-27**	35.108.289	17.304.690
Net (Decrease)/Increase in Other Liabilities		(2.057.931)	(1.102.950)
Taxes Paid		(783.106)	(2.747.943)
Employment Termination Benefits Paid	**15**	(1.155.636)	(721.946)
Cash Flows Generated from Operating Activities:		**6.793.439**	**19.993.823**
Investing Activities:			
Proceeds from Sales of Property, Plant and Equipment		684.467	174.650
Purchase of Property, Plant and Equipment	**10**	(12.927.436)	(9.411.257)
Purchase of Intangible Assets	**11**	(5.904.566)	(7.773.461)
Cash Flows Used in Investing Activities:		**(18.147.535)**	**(17.010.068)**
Financing Activities:			
Dividend Payments		(28.056.351)	(65.328.767)
Interests Received		5.176.044	9.401.065
Interests Paid		(4.278.621)	(4.933.170)
Proceeds from Borrowings		44.026.790	32.000.000
Repayments of Borrowings		(32.000.000)	(55.000.000)
Net Cash Used in Financing Activities:		**(15.132.138)**	**(83.860.872)**
Net Decrease in Cash and Cash Equivalents		**(26.486.234)**	**(80.877.117)**
Cash and Cash Equivalents At The Beginning of Period		110.399.391	189.358.983
Cash and Cash Equivalents At The End of Period	**4**	**83.913.157**	**108.481.866**

The accompanying notes form an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE INTERIM PERIOD 1 JANUARY - 30 JUNE 2015
(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

					Other Comprehensive (Income)/Expense Not To Be Reclassified To Statement of Income		Retained Earnings				
Previous Period	**Notes**	**Paid in Capital**	**Adjustment to capital**	**Total paid in share capital**	**Gain/(Loss) on Revaluation and Reclassification**	**Restricted Reserves**	**Retained Earnings**	**Income for The Period**	**Shareholders' Equity Attributable to Equity Holders of The Group**	**Non Controlling Interests**	**Total Shareholders' Equity**
As of 1 January 2014	**17**	**25.419.707**	**86.901.880**	**112.321.587**	**453.176**	**14.744.014**	**39.048.753**	**198.745.796**	**365.313.326**	**21.093**	**365.334.419**
Net profit for the period		-	-	-	-	-	-	17.043.712	**17.043.712**	-	**17.043.712**
Other comprehensive income		-	-	-	**35.273**	-	-	-	**35.273**	-	**35.273**
Total Comprehensive Income		-	-	-	**35.273**	-	-	**17.043.712**	**17.078.985**	-	**17.078.985**
Transfers		-	-	-	-	144.917.063	53.828.733	(198.745.796)	-	-	-
Transaction With Non-Controlling Interests (2.1.2)		-	-	-	-	(3.540)	(80.698)	-	**(84.238)**	**(21.093)**	**(105.331)**
Dividends paid		-	-	-	-	-	(65.328.767)	-	**(65.328.767)**	-	**(65.328.767)**
As of 30 June 2014	**17**	**25.419.707**	**86.901.880**	**112.321.587**	**488.449**	**159.657.537**	**27.468.021**	**17.043.712**	**316.979.306**	-	**316.979.306**
Current period											
As of 1 January 2015	**17**	**25.419.707**	**86.901.880**	**112.321.587**	**112.998**	**159.657.537**	**27.468.021**	**34.342.260**	**333.902.403**	-	**333.902.403**
Net Profit for The Period		-	-	-	-	-	-	10.456.637	**10.456.637**	-	**10.456.637**
Other Comprehensive Income		-	-	-	**(236.112)**			-	**(236.112)**	-	**(236.112)**
Total Comprehensive Income		-	-	-	**(236.112)**	-	-	**10.456.637**	**10.220.525**	-	**10.220.525**
Transfers		-	-	-	-	2.706.117	31.636.143	(34.342.260)	-	-	-
Dividends Paid		-	-	-	-	-	(28.056.351)	-	**(28.056.351)**	-	**(28.056.351)**
As of 30 June 2015	**17**	**25.419.707**	**86.901.880**	**112.321.587**	**(123.114)**	**162.363.654**	**31.047.813**	**10.456.637**	**316.066.577**	-	**316.066.577**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS

Anadolu Isuzu Otomotiv Sanayi ve Ticaret Anonim Şirketi (the "Company") was established in 1980. Activities of the Company are comprised mainly of manufacturing, assembling, marketing, importing and exporting of commercial vehicles, including sale of relevant automotive spare parts of the commercial vehicles. The Company is registered to Capital Markets Board of Turkey and 15% of the Company's shares have been traded on Borsa İstanbul A.Ş. since 1997.

The Company carries out its operations as a partnership formed by Isuzu Motors Ltd., Itochu Corporation and Anadolu Group Companies. The Company runs its manufacturing operations in a factory established in Çayırova/Kocaeli. The average number of employees as of 30 June 2015 is 974 (31 December 2014: 869).

The Company's official address registered in the Trade Registry is Fatih Sultan Mehmet Mahallesi Balkan Caddesi No:58 Buyaka E Blok Tepeüstü, Ümraniye, İstanbul.

As of 30 June 2015 and 31 December 2014, details regarding the Company's subsidiaries, which are subject to consolidation, are as follows:

Subsidiaries	Nature of business	Capital	30 June 2015 Ownership Interest (%)	31 December 2014 Ownership Interest (%)
Ant Sınai ve Ticari Ürünleri Pazarlama A.Ş.	Trade of spare parts	716.000	100,00	100,00

Hereafter, the Company and the subsidiaries will be referred as (the "Group") in the consolidated financial statements and notes to the consolidated financial statements.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Financial reporting standards

The accompanying consolidated financial statements are prepared in accordance with Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, consolidated financial statements are prepared in accordance with the Turkish Accounting Standards issued by Public Oversight Accounting and Auditing Standards Authority ("POAASA"). TAS contains Turkish Accounting Standards, Turkish Financial Reporting Standards ("TFRS") and its addendum and interpretations ("TFRIC").

The Company (and its subsidiaries registered in Turkey) maintains its accounting records and prepares its statutory financial statements in accordance with the Turkish Commercial Code (the "TCC"), tax legislation and the uniform chart of accounts issued by the Ministry of Finance. The consolidated financial statements, except for the financial asset and liabilities presented with their fair values, are maintained under historical cost conversion in TRY. These consolidated financial statements are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the TAS.

2.1.2 Consolidation principles

(a) Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operational policies generally accompanying a shareholding of more than one half of the voting rights. Subsidiaries are fully consolidated from the date on which the control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

2.1.2 Consolidation principles (Continued)

(a) Subsidiaries (Continued)

assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

The identifiable assets, liabilities, and contingent liabilities purchased in a business combination are measured based on the fair value of the acquisition date. The company's non-controlling shares, which are acquired for each purchase, are either recognised over the fair value or over the proportional share on the net assets of the acquired company.

The table below sets out the Subsidiaries interest at 30 June 2015 and 31 December 2014:

	Proportion of effective interest (%)		Direct and indirect ownership interest held by Company (%)	
Subsidiaries	**30 June 2015**	**31 December 2014**	**30 June 2015**	**31 December 2014**
Ant Sınai ve Ticari Ürünleri Pazarlama A.Ş.	100,00	100,00	100,00	100,00

(b) Available-for-sale financial assets, whose reasonable value changes are reflected in the income statement

The Group's financial assets, whose reasonable value changes are reflected in the income statement, are adjusted according to the current purchasing power of the TRY and are reflected in the consolidated financial statements in TRY in the period where inflation accounting is applied to the cost value in the balance sheet period. If the total direct or indirect shares of these assets are below 20%, or even if they are higher than 20%, they do not have a significant effect or have importance in terms of consolidated financial tables. These assets are also not traded in organised markets and their reasonable values cannot be determined.

(c) Consolidated equity of participation

Minority rights indicate the share of minority shareholders in the net assets of the subsidiaries and in the period's operating results. These details are shown separately from the consolidated balance sheet and income statement. If the losses of the minority shares is greater than the minority interests of the shares of subsidiaries, losses of minorities might be against majority interests in case the minority does not have binding liabilities.

2.1.3 Offsetting

The financial assets and liabilities in the consolidated financial statements are shown at their net value when a legal granted permission, an intention of stating the consolidated financial statements with their net values and the financial asset and liabilities are arisen concurrently.

2.1.4 Comparatives and adjustment of prior periods' financial statements

The consolidated financial statements of the Group include comparative financial information to enable the determination of the financial position and performance. Comparative figures are reclassified, where necessary, to conform to changes in presentation in the current period consolidated financial statements.

The Group did not make any changes in its consolidated financial statements for the previous year.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

2.1.5 Amendments in International Financial Reporting Standards

a. The new standards, amendments and interpretations which are effective for the financial statements as of 30 June 2015:

- Amendment to IAS 19 regarding defined benefit plans, effective from annual periods beginning on or after 1 July 2014. These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

- Annual improvements 2010-2012; is effective for annual periods beginning on or after 1 July 2014. These amendments include changes from the 2010-12 cycle of the annual improvements project, that affect 7 standards:

  • TFRS 2, "Share Based Payment"
  • TFRS 3, "Business Cmbionation"
  • TFRS 8, "Operating Segments"
  • TFRS 13, "Fair value measurement"
  • TAS 16, "Tangible Assets and TAS 38, Intangible Assets"
  • TFRS 9, "Financial Instruments: TAS 37, Provisions, Contingent Assets and Liability"
  • TFRS 39, "Financial Instruments-Recognition and Measurement"

- Annual improvements 2013; is effective for annual periods beginning on or after 1 July 2015. The amendments include changes from 2011-2013 cycles of the annual improvements project that affect 4 standards:

  • TFRS 1, "First Adoption of TFRS"
  • TFRS 3, "Business Combinations"
  • TFRS 13, "Fair Value Measurement"
  • TAS 40, "Investment Properties"

b. The new standards, amendments and interpretations introduced to the prior Financial Statements as of 30 June 2015, however will be effective after 1 January 2016

- TFRS 11 (amendments), "Joint Arrangements", is effective for annual periods beginning on or after 1 January 2016. This amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions.

- Amendments to IAS 16 "Property,plant and equipment", and IAS 41, "Agriculture", regarding bearer plants, effective from annual periods beginning on or after 1 January 2016. These amendments change the financial reporting for bearer plants, such as grape vines, rubber trees and oil palms. It has been decided that bearer plants should be accounted for in the same way as property, plant and equipment because their operation is similar to that of manufacturing. Consequently, the amendments include them within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

2.1.5 Amendments in International Financial Reporting Standards (Continued)

b. The new standards, amendments and interpretations introduced to the prior Financial Statements as of 30 June 2015, however will be effective after 1 January 2016: (Continued)

- Amendment to IAS 16, "Property, plant and equipment" and IAS 38, "Intangible assets", on depreciation and amortisation, effective from annual periods beginning on or after 1 January 2016. In this amendment the it has clarified that the use of revenue based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. It is also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

- TFRS 14 'Regulatory deferral accounts', effective from annual periods beginning on or after 1 January 2016. TFRS 14, 'Regulatory deferral accounts' permits first–time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt TFRS. However, to enhance comparability with entities that already apply TFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items.

- Amendments to TAS 27, 'Separate financial statements' on the equity method, effective from annual periods beginning on or after 1 January 2016. These amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.

- Amendments to TFRS 10, 'Consolidated financial statements' and TAS 28, 'Investments in associates and joint ventures', effective from annual periods beginning on or after 1 January 2016. These amendments address an inconsistency between the requirements in TFRS 10 and those in TAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

- Annual improvements 2014, effective from annual periods beginning on or after 1 January 2016. These set of amendments impacts 4 standards:

    - TFRS 5, 'Non-current assets held for sale and discontinued operations' regarding methods of disposal.
    - TFRS 7, 'Financial instruments: Disclosures', (with consequential amendments to TFRS 1) regarding servicing contracts.
    - TAS 19, 'Employee benefits' regarding discount rates.
    - TAS 34, 'Interim financial reporting' regarding disclosure of information.

- TAS 1 "Presentation of Financial Statements"; is effective for annual periods beginning on or after 1 January 2016. This amendment indicates to improve presensation and explanation of financial reporting.

- TFRS 10 "Consolidated financial reporting" and TAS 28 "Investments in associates and joint ventures"; is effective from annual periods beginning on or after 1 January 2016. This amendment clarifies consolidation exemption method for investment companies and their subsidiaries.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

2.1.5 Amendments in International Financial Reporting Standards (Continued)

- TFRS 15 'Revenue from contracts with customers', effective from annual periods beginning on or after 1 January 2017. TFRS 15, 'Revenue from contracts with customers' is a converged standard from the TMSB and FASB on revenue recognition. The standard will improve the financial reporting of revenue and improve comparability of the top line in financial statements globally.

- TFRS 9 'Financial instruments', effective from annual periods beginning on or after 1 January 2018. This standard replaces the guidance in TMS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.

The Company will evaluate the effect of the aforementioned changes within its operations and apply changes starting from effective date.

2.2 Summary of Significant Accounting Policies

2.2.1 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. Cash and cash equivalents include cash on hand, deposits at banks and highly liquid short-term investments, with maturity periods of less than three months, which has insignificant risk of change in fair value.

2.2.2 Trade receivables and valuation allowance

Trade receivables as a result of providing goods or services by the Group directly to a debtor are carried at amortised cost. Short-term receivables with no stated interest rate are measured at the original invoice amount since the effect of imputing interest is significant.

A credit risk provision for trade receivables is established if there is objective evidence that the Company will not be able to collect all amounts due. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of all cash flows, including amounts recoverable from guarantees and collateral, discounted based on the original effective interest rate of the originated receivables at inception.

If the impairment amount decreases due to an event occurring after the write-down, the release of the provision is credited to other income in the current period.

The Company collects most of the receivables from domestic vehicles sales through the "Direct Debit System" (DDS). Within this system which is also named as Direct Collection System; the contracted banks warrant the collection of the receivables within the limits granted to the dealers. Trade receivables are transferred by the contracted banks to the Company's bank accounts at the due dates.

2.2.3 Inventories

Inventories are valued at the lower of cost or net realisable value. The inventories of the Group mainly composed of trucks, small trucks, midi buses, pickups and spare parts which belong to those vehicles. The cost of inventories is determined on the moving monthly average basis. Cost elements included in inventories are materials, labor and an appropriate amount of factory overheads and exclude the cost of borrowing. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. The allocation of fixed production overheads to the costs of conversion is based on the normal capacity of the production facilities. Idle time expenses arising from the ceases in production other than planned in the factory's annual production plan are not associated with inventories and are recognised as cost of finished goods.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (Continued)

2.2.4 Property, plant and equipment

For assets acquired after 2005, the tangible basis assets are reflected to the consolidated financial statements by deducting their accumulated depreciation from their cost. For assets that were acquired before 1 January 2005, the tangible fixed assets are presented on the consolidated financial statement based on their cost basis, which is adjusted according to the inflationary effects as of 31 December 2004. Depreciation is calculated using the straight-line method based on their economic lives. The following rates, determined in accordance with the economic lives of the fixed assets, are used in calculation of depreciation:

Type	**Depreciation rates (%)**
Land Improvements	5-6
Buildings	2-5
Machinery and equipment	10-20
Motor Vehicles	10-20
Fixtures and Furniture	10-20

An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the asset's net selling price or value in use.Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amounts and are included in other operating income and losses.Repair and maintenance expenses are charged to the statement of income as they are incurred. Repair and maintenance expenditures are capitalised if they result in an enlargement or substantial improvement of the respective asset.

2.2.5 Intangible assets

Intangible assets acquired before 1 January 2005 are carried at indexed historical cost for inflation effects as at 31 December 2004; however, purchases after 1 January 2005 are carried at their historical cost less accumulated amortization and impairment. Intangible assets are depreciated on a straight-line basis over their expected useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are comprised of software programme rights, brand and patent rights and development expenses. Amortization is calculated using the straight-line method based on their economic lives unless they exceed five years.

2.2.6 Goodwill and related amortisation

In consolidated financial statements, if goodwill and negative goodwill which are resulted from the difference of purchase price and fair value of net assets of the acquired share of the affiliate are realised from the purchases before 30 March 2004, they are amortised by using the capitalised and normal amortisation method over its useful life until end of 31 December 2004. Within the framework of TFRS 3 - "Business Combinations" amortisation is not applied for goodwill which is resulted from acquisitions after 31 March 2004. The calculated goodwill is evaluated and if impairment is required, a provision for impairment is accounted for. Also, for the acquisitions after 31 March 2004, if negative goodwill exists, the amount is reviewed and credited to income statement in the period negative goodwill occurred.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (Continued)

2.2.6 Goodwill and related amortisation (Continued)

Within the framework of TFRS 3, after 31 March 2004, in the beginning of first upcoming annual accounting period (1 January 2005), the Group has halted the amortisation of goodwill which was resulted from the transactions before 31 March 2004. Impairment of goodwill is not cancellable. The Group performs impairment testing during the year-ends.

2.2.7 Impairment of assets

All assets are reviewed for impairment losses including property, plant and equipment and intangible assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such an indication exists, the recoverable amount of the asset is presumed. The recoverable amount is presumed in each year-end for unusable intangible assets. An impairment loss is recognised for the amount by which the carrying amount of the asset or a cash generating unit related to the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. Impairment losses are recognised in the statement of income.

Impairment losses on assets can be reversed, to the extent of previously recorded impairment losses, in cases where increases in the recoverable value of the asset can be associated with events that occur subsequent to the period when the impairment loss was recorded.

2.2.8 Loans and borrowing costs

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of income over the period of the borrowings. When it comes to the assets which take long time to get ready to usage and sales, borrowing costs related to production or construction are integrated to the cost of the asset. No assets which need a significant amount of time to be ready for use and sale exist in the Group's consolidated financial statements for the 1 January - 30 June 2015 accounting period

2.2.9 Taxes on income

Taxes include current period income taxes and deferred taxes. Current year tax liability consists of tax liability on the taxable income calculated according to currently enacted tax rates and to the effective tax legislation as of balance sheet date.

Deferred income tax is provided, using the liability method, for temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Tax bases of assets and liabilities comprise of the amounts that will affect the future period tax charges based on the tax legislation. Currently enacted tax rates, which are expected to be effective during the periods when the deferred tax assets will be utilised or deferred tax liabilities will be settled, are used to determine deferred income tax.

Deferred tax liabilities are recognised for all taxable temporary differences, where deferred tax assets resulting from deductible temporary differences are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilised. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities related to income taxes levied by the same taxation authority are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (Continued)

2.2.10 Provision for employee benefits

Provision for employee benefits represent the present value of the estimated total reserve of the future probable obligation of the Group arising from the retirement of the employees, completion of one year of service of the employees, employees' being calling up for military service or the death of employees calculated in accordance with the Turkish Labor Law.

2.2.11 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. If the provision amount decreases, in the case of an event occurring after the provision is accounted for, the related amount is classified as other income in the current period.

2.2.12 Research and development expenses

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other development expenditures are recognised as expense as incurred. Subsidies received from Tübitak are accounted for as deferred income by Group and are offsetted with amortisation expenses in the income statements in line with the useful life of the completed projects.

Development costs are directly recognised as expense. Development expenses recognised as expense in prior periods are not subject to capitalisation in subsequent periods.

2.2.13 Warranty provision expenses

Warranty expenses are recognised on an accrual basis for amounts estimated based on prior periods' realisation.

2.2.14 Related parties

For the purpose of these consolidated financial statements, shareholders, key management personnel and board members, in each case together with their families and companies controlled by/or affiliated with them, and associated companies are considered and referred to as related parties. The transactions with related parties for operating activities are made with prices which are convenient with market prices.

2.2.15 Foreign currency transactions

Transactions in foreign currencies during the year have been translated at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated into TRY at the exchange rates prevailing at the balance sheet dates. Foreign currency exchange gains or losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities are recognised in the statement of income.

2.2.16 Income per share

Income per share disclosed in the statement of income are determined by dividing net earnings by the weighted average number of shares that have been outstanding during the related year concerned.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2 Summry of Significant Accounting Policies (Continued)

2.2.16 Income per share (Continued)

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings and the revaluation surplus. For the purpose of losses per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issues without a corresponding change in resources, by giving them retroactive effect for the year in which they were issued and for each earlier year.

2.2.17 Revenue recognition

Commercial vehicle and spare part sales

The Group recognizes income according to the accrual basis, when the Group reasonably determines the income and economic benefit is probable. Group's revenues are comprised of sales of commercial vehicles and the spare parts of those commercial vehicles. Revenue is reduced for customer returns and sales discounts.

Revenue from the sale of goods is recognized when all the following conditions are gratified:

- The significant risks and the ownership of the goods are transferred to the buyer,
- The Group refrains the managerial control over the goods and the effective control over the goods sold,
- The revenue can be measured reasonably,
- It is probable that the the economic benefits related to transaction will flow to the entity,
- The costs incurred or will be incurred in conjunction with the transaction can be measured reliably.

Service sales

When the revenue from services can be measured reliably, the revenue is recorded in accordance with its completion level. If the revenue cannot be measured reliably, revenues are recognized as much as the recoverable amount of expenses that are associated with these revenues.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Rent income

Rent income from investment properties is recognized on a straight-line basis over the term of the respective lease.

When there is significant amount of cost of financing included in the sales, the fair value is determined by discounting all probable future cash flows with the yield rate, which is embedded in the cost of financing. The differences between the fair value and the nominal value are recorded as interest income according to the accrual basis.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (Continued)

2.2.18 Reporting of cash flows

In the statement of cash flows, cash flows during the period are classified under operating, investing or financing activities.

The cash flows raised from operating activities indicate cash flows due to the Group's operations.

The cash flows due to investing activities indicate the Group cash flows that are used for and obtained from investments (investments in property, plant and equipment and financial investments).

The cash flows due to financing activities indicate the cash obtained from financial arrangements and used in their repayment.

Cash and cash equivalents include cash and bank deposits and the investments that are readily convertible into cash and highly liquid assets with less than three months to maturity.

2.2.19 Contingent assets and liabilities

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in the consolidated financial statements and treated as contingent assets or liabilities.

2.2.20 Government grants

Government grants are not recognized until there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received. Government grants are recognized as income over the periods necessary to match them with the related costs, which they are intended to compensate, on a systematic basis. Government grants and assistance received for R&D purposes of the Group are explained in Note 13.

2.2.21 Derivative financial instruments

Derivative financial instruments are initially recognised in the consolidated balance sheet at cost and subsequently are re-measured at their fair value. The derivative instruments of the Group mainly consist of foreign exchange forward contracts and currency swap instruments. Group enters into forward contracts time to time in order to minimise its exposures due to having foreign currency denominated liabilities.

Derivative financial instruments which are mainly consist of foreign exchange forward contracts are initially recognised at cost and the transactions costs which are related to derivative financial instruments are included to their initial costs and subsequently are re-measured at their fair value. All derivative financial instruments are classified as financial assets which are measured at fair value and associated with income statement. Fair values of the derivative financial instruments are calculated through fair values determined in the market or using the discounted cash flow method. Fair values of forward contracts which are traded in over the counter markets, are calculated by using the market interest rate of the original currency until the exercise date of forward contract and the foreign currency exchange rate is determined by comparing the original forward rate with current forward rate at end of period. Derivative financial instruments are accounted for asset or liability if the fair value is positive or negative respectively.

Held-for-trading derivative financial instruments are initially recognised in the consolidated financial statements at cost and are subsequently re-measured at their fair value. Changes in the fair values of held-for-trading derivative financial instruments are included in the statements of comprehensive income.

These derivative financial instruments, even though providing effective economic hedges under the Company risk management position, do not qualify for hedge accounting under the requirements of TAS 39, "Financial Instruments:

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (Continued)

2.2.21 Derivative financial instruments (Continued)

Recognition and Measurement", and therefore are accounted for as derivatives held-for-trading in the consolidated financial statement.

2.2.22 Accounting policies, changes in accounting estimates and errors

Accounting estimates are made based on reliable information and using appropriate estimation methods. However, if new or additional information becomes available or the circumstances, which the initial estimates based on, change, then the estimates are reviewed and revised, if necessary. If the change in the accounting estimates is only related to a sole period, then only that period's financial statements are adjusted. As of 30 June 2015, there are no changes in accounting estimates and errors in the presentation of the consolidated financial statements.

If the amendments are related to the current as well as the forthcoming periods, then both current and forthcoming periods' financial statements are adjusted. In instances where the accounting estimates affect both current and forthcoming periods, then description and monetary value of the estimate is disclosed in the notes to the financial statements.

2.2.23 Subsequent events

Subsequent events and announcements related to net profit or even declared after other selective financial information has been publicly announced, include all events that take place between the balance sheet date and the date when the balance sheet is authorised for issue.

In the case that events requiring an adjustment to the consolidated financial statements occur subsequent to the balance sheet date, the Group makes the necessary corrections on the consolidated financial statements.

NOTE 3 - SEGMENT REPORTING

The field of activity of the Group established in Turkey is the manufacture, assembly, import and sale of motor vehicles and spare parts. The field of activity of the Group, the nature and economic properties of products, production processes, classification according to customer risks and methods used in the distribution of products are similar. Moreover, the Group is structured on an activity basis rather than being managed under separate divisions including different activities. Thus, the operations of the Group are considered as a single activity division, and the outputs of the Group's activities, determination of the resources to be allocated to these activities, and review of the performance of these activities are evaluated accordingly.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 4 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the period ends are as follows:

	30 June 2015	31 December 2014
Cash	63.952	74.114
Banks - Demand deposits	16.512.471	16.551.115
Banks - Time deposits (up to 3 months)	67.812.705	94.493.229
Other cash and cash equivalents	9.404	-
Total	**84.398.532**	**111.118.458**

There are no blocked deposits as of 30 June 2015 and 31 December 2014.

Cash and cash equivalents presented in the consolidated cash flow statements as of 30 June 2015 and 30 June 2014 are as follows:

	30 June 2015	30 June 2014
Cash and banks	84.398.532	109.211.645
Less: Interest accruals	(485.375)	(729.779)
Total (Excluding interest accruals)	**83.913.157**	**108.481.866**

The details of time deposits are as follows:

	30 June 2015		31 December 2014	
	Amount in TRY	Annual Interest Rate (%)	Amount in TRY	Annual Interest Rate (%)
TRY	67.365.370	5,00-11,75	90.992.025	6,00-10,20
USD	-	-	1.808.746	0,10
EUR	447.335	0,50	1.692.458	1,00
Total	**67.812.705**		**94.493.229**	

The Group does not have any time deposits with maturities longer than one month, and the time deposits are composed of fixed interest rates.

As of 30 June 2015, time and demand deposits amounting to TRY70.690.779 are at Alternatifbank A.Ş., a related party of the Group (31 December 2014: TRY3.682.829).

NOTE 5 - FINANCIAL INVESTMENTS

The Group has no financial investment as of 30 June 2015 ve 31 December 2014.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 6 - FINANCIAL LIABILITIES

The details of bank loans as of 30 June 2015 and 31 December 2014 are as follows:

Short Term Financial Liabilities

	Annual Effective Interest Rate %		Original Currency		Amount in TRY	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Short-term Bank Loans						
EUR	2,17	2,73	16.450.000	10.000.000	49.937.135	28.637.373
TRY	10,44	10,37	20.000.000	47.000.000	20.361.599	47.167.293
Total					**70.298.734**	**75.804.666**

As of balance sheet dates, bank loans with variable interest rates are as follows:

Period	30 June 2015	31 December 2014
Up to 1 month	35.602.502	32.009.272
Total	**35.602.502**	**32.009.272**

Long Term Financial Liabilities

	Annual Effective interest rate %		Original Currency		Amount in TRY	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Long-term Bank Loans						
EUR	3,19	3,58	17.000.000	10.000.000	50.697.400	28.207.000
Total					**50.697.400**	**28.207.000**

NOTE 7 - TRADE RECEIVABLES AND PAYABLES

Trade receivables at period ends are as follows:

Short-term trade receivables	30 June 2015	31 December 2014
Trade Receivables, net	223.536.114	231.538.036
Cheques Recevied, net	5.866	93.734
Rediscount Expenses (-)	(2.544.700)	(2.538.848)
Doubtful Receivables	333.324	333.324
Less: Provision for doubtful receivables	(333.324)	(333.324)
Total	**220.997.280**	**229.092.922**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 7 - TRADE RECEIVABLES AND PAYABLES (Continued)

Movements of provision for doubtful receivables are as follows:

	2015	2014
Opening balance - 1 January	**333.324**	**333.324**
Provisions for the period	-	-
Collections during the period	-	-
Ending balance - 30 June	**333.324**	**333.324**

Trade payables at period ends are as follows:

Trade payables	30 June 2015	31 December 2014
Trade payables	79.311.661	74.100.720
Rediscount income (-)	(707.974)	(526.728)
Total	**78.603.687**	**73.573.992**

NOTE 8 - OTHER RECEIVABLES AND PAYABLES

Other Short-term Receivables **Other receivables from other parties**	30 June 2015	31 December 2014
Receivables from government authorities(*)	8.935.938	295.841
Receivables from personnel	935.409	237.004
Deposits and guarantees given	2.546	24
Total	**9.873.893**	**532.869**

(*) As of 30 June 2015, the Group has TRY8.826.429 receivables from government authorities in relation to VAT return (31 December 2014: TRY208.000).

Other Long-term Receivables **Other receivables from other parties**	30 June 2015	31 December 2014
Deposits and guarantees given	186	186
Total	**186**	**186**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 8 - OTHER RECEIVABLES AND PAYABLES (Continued)

Other Short-term Payables **Other payables from other parties**	**30 June 2015**	**31 December 2014**
Due to personnel	1.115.111	816.202
Order advances received	1.933.334	4.954.142
Taxes and funds payable	1.930.563	3.237.296
Social security premiums payable	1.764.084	1.571.989
Taxes to be offset	3.174.292	-
Other miscellaneous payables	153.528	2.919
Total	**10.070.912**	**10.582.548**

NOTE 9 - INVENTORIES

Inventory balances as of period ends are as follows:

	30 June 2015	**31 December 2014**
Raw materials	105.231.252	94.406.748
Semi-finished goods	1.011.452	4.906.815
Finished goods	68.087.908	34.594.155
Trade goods	23.086.488	14.557.831
Other inventories	19.520.527	12.735.546
Advances given for import and domestic purchases	61.742.926	62.117.483
	278.680.553	**223.318.578**
Less: Provisions for impairment of finished goods and trade goods	(1.584.454)	(1.435.553)
Total Inventories	**277.096.099**	**221.883.025**

Movements of Provision for Impairment on Inventories	**2015**	**2014**
Opening balance - 1 January	**1.435.553**	**1.809.169**
Less: Provision released due to the net realizable value (-)	(155.865)	(823.665)
Current period charge (+)	304.766	1.372.179
Ending balance - 30 June	**1.584.454**	**2.357.683**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 10 - PROPERTY, PLANT AND EQUIPMENT

Cost	Land	Land İmprovements	Buildings	Machinery and Equipment	Motor Vehicles	Furniture and Fixtures	Other tangible assets	Constructions in progress and advance given	Total
As of 1 January 2015	**1.292.239**	**9.088.625**	**63.323.403**	**169.750.455**	**7.056.837**	**3.659.751**	**766.199**	**2.215.376**	**257.152.885**
Additions	-	205.339	582.442	3.667.700	1.853.726	138.375	6.045	6.473.809	**12.927.436**
Disposals	-	-	-	(209.876)	(518.872)	-	(385)	-	**(729.133)**
As of 30 June 2015	**1.292.239**	**9.293.964**	**63.905.845**	**173.208.279**	**8.391.691**	**3.798.126**	**771.859**	**8.689.185**	**269.351.188**
Accumulated amortisation									
As of 1 January 2015	**-**	**(6.883.826)**	**(35.657.007)**	**(129.538.539)**	**(3.811.335)**	**(2.495.599)**	**(754.965)**	**-**	**(179.141.271)**
Current period amortisation	-	(111.257)	(1.127.282)	(3.376.221)	(600.478)	(89.801)	(1.700)	-	**(5.306.739)**
Disposals	-	-	-	111	105.407	3.521	-	-	**109.039**
As of 30 June 2015	**-**	**(6.995.083)**	**(36.784.289)**	**(132.914.649)**	**(4.306.406)**	**(2.581.879)**	**(756.665)**	**-**	**(184.338.971)**
Net Book Value									
As of 1 January 2015	**1.292.239**	**2.204.799**	**27.666.396**	**40.211.916**	**3.245.502**	**1.164.152**	**11.234**	**2.215.376**	**78.011.614**
As of 30 June 2015	**1.292.239**	**2.298.881**	**27.121.556**	**40.293.630**	**4.085.285**	**1.216.247**	**15.194**	**8.689.185**	**85.012.217**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 10 - PROPERTY, PLANT AND EQUIPMENT (Continued)

Cost	Land	Land İmprovements	Buildings	Machinery and equipment	Motor Vehicles	Furniture and Fixtures	Other tangible assets	Constructions in progress and advance given	Total
As of 1 January 2014	**1.292.239**	**7.592.013**	**60.304.949**	**154.697.308**	**6.918.045**	**2.721.536**	**759.841**	**2.306.175**	**236.592.106**
Additions	-	-	16.563	3.037.832	110.980	260.200	3.058	5.982.624	**9.411.257**
Transfers			2.931.171	3.465.308	-	-	-	(6.396.479)	**-**
Disposals	-	-	-	-	(227.620)	-	(42.490)	-	**(270.110)**
As of 30 June 2014	**1.292.239**	**7.592.013**	**63.252.683**	**161.200.448**	**6.801.405**	**2.981.736**	**720.409**	**1.892.320**	**245.733.253**
Accumulated amortisation									
As of 1 January 2014	**-**	**(6.756.876)**	**(33.481.299)**	**(124.418.577)**	**(3.537.192)**	**(2.447.437)**	**(751.576)**	**-**	**(171.392.957)**
Current period amortisation	-	(58.654)	(1.061.958)	(2.722.617)	(448.936)	(32.588)	(1.569)	-	**(4.326.322)**
Disposals	-	-	-	-	50.647	-	42.490	-	**93.137**
As of 30 June 2014	**-**	**(6.815.530)**	**(34.543.257)**	**(127.141.194)**	**(3.935.481)**	**(2.480.025)**	**(710.655)**	**-**	**(175.626.142)**
Net Book Value									
As of 1 January 2014	**1.292.239**	**835.137**	**26.823.650**	**30.278.731**	**3.380.853**	**274.099**	**8.265**	**2.306.175**	**65.199.149**
As of 30 June 2014	**1.292.239**	**776.483**	**28.709.426**	**34.059.254**	**2.865.924**	**501.711**	**9.754**	**1.892.320**	**70.107.111**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 11 - INTANGIBLE ASSETS

1 January -
30 June 2015

Cost	Right	Development costs	Other intangible assets	Constructions in progress and advances given	Total
As of 1 January 2015	**158.662**	**40.914.102**	**9.467.291**	**6.073.820**	**56.613.875**
Additions	-	-	167.579	5.736.987	**5.904.566**
As of 30 June 2015	**158.662**	**40.914.102**	**9.634.870**	**11.810.807**	**62.518.441**
Accumulated depreciations					
As of 1 January 2015	**(34.696)**	**(18.082.614)**	**(4.205.645)**	**-**	**(22.322.955)**
Current year depreciations	(6.923)	(3.409.393)	(1.140.325)	-	**(4.556.641)**
As of 30 June 2015	**(41.619)**	**(21.492.007)**	**(5.345.970)**	**-**	**(26.879.596)**
Net book value					
As of 1 January 2015	**123.966**	**22.831.488**	**5.261.646**	**6.073.820**	**34.290.920**
As of 30 June 2015	**117.043**	**19.422.095**	**4.288.900**	**11.810.807**	**35.638.845**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 11 - INTANGIBLE ASSETS (Continued)

1 January -
30 June 2014

Cost	Right	Development costs	Other intangible assets	Constructions in progress and advances given	Total
As of 1 January 2014	**158.662**	**31.657.489**	**5.918.450**	**1.595.048**	**39.329.649**
Additions	-	-	621.760	7.151.701	**7.773.461**
As of 30 June 2014	**158.662**	**31.657.489**	**6.540.210**	**8.746.749**	**47.103.110**
Accumulated depreciation					
As of 1 January 2014	**(34.696)**	**(12.172.646)**	**(2.571.039)**	**-**	**(14.778.381)**
Current year depreciation	(6.073)	(2.913.674)	(747.511)	-	**(3.667.258)**
As of 30 June 2014	**(40.769)**	**(15.086.320)**	**(3.318.550)**	**-**	**(18.445.639)**
Net book value					
As of 1 January 2014	**123.966**	**19.484.843**	**3.347.411**	**1.595.048**	**24.551.268**
As of 30 June 2014	**117.893**	**16.571.169**	**3.221.660**	**8.746.749**	**28.657.471**

NOTE 12 - GOODWILL

30 June 2015

	Net Book Value
As of 1 January 2015	**2.340.995**
Additions	-
Provision for impairment	-
As of 30 June 2015	**2.340.995**

30 June 2014

	Net Book Value
As of 1 January 2014	**2.340.995**
Additions	-
Provision for impairment	-
As of 30 June 2014	**2.340.995**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 13 - GOVERNMENT GRANTS

In the first six-month period of 2015, cash support amounting to TRY165.411 related to R&D activities provided by TUBITAK was collected. In 2014, cash support amounting to TRY776.116 related to R&D activities provided by TUBITAK was collected.

Due to the Group's expenditures for R&D study during the first six months of 2015, there was R&D deduction corresponding to TRY6.518.420. As per amendment made in Article 35 of the Law on Supporting Research and Development No. 5746 which became effective on 1 April 2008, R&D deduction rate from which will be benefited for the expenses of R&D has been increased from 40% to 100% (As of 31 December 2014, carried forward R&D deduction amount is TRY15.057.685).

In order to benefit from the incentives and exemptions provided in line with the Law No. 5746, the Group has made R&D centre application and following the inspection of Ministry of Industry and Commerce, the Group has been provided with the certificate of R&D centre which is effective since 3 June 2009.

Regarding the TRY29.403.628 spent as of 30 June 2015 in accordance with Incentive Certificate No. 5487 dated 26 February 2010: the Group has started to benefit from the 20% investment incentive and 50% discounted corporate income tax incentive within the framework of Article 32/A of the Corporate Income Tax Law in proportion to the effect of the investment on generated income.

NOTE 14 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Other short term provisions	30 June 2015	31 December 2014
Warranty provisions	10.705.534	8.390.952
Provision for charge difference of employement agreement	-	926.681
Provision for lawsuits	726.890	687.176
Provision for employee benefits	1.679.316	427.623
Provision for commision and Premium	606.198	-
Total	**13.717.938**	**10.432.432**

Movements of provisions during the period are as follows:

	Warranty Provisions	Provision for Lawsuit	Provision for employee benefits	Provision for charge difference of employement agreement	Provision for commision and premium	Total
As of 1 January 2015	**8.390.952**	**687.176**	**427.623**	**926.681**	**-**	**10.432.432**
Additions during the period	7.488.968	65.608	1.679.316	-	606.198	**9.840.090**
Paid during the period (-)	(5.174.386)	(25.894)	(427.623)	(926.681)	-	**(6.554.584)**
Cancellation of provision (-)	-	-	-	-	-	-
As of 30 June 2015	**10.705.534**	**726.890**	**1.679.316**	**-**	**606.198**	**13.717.938**

	Warranty Provisions	Provision for Lawsuit	Provision for employee benefits	Provision for commision and premium	Provision for derivative instruments	Provision for other expense	Total
As of 1 January 2014	**7.226.702**	**520.099**	**290.986**	**-**	**-**	**-**	**8.037.787**
Additions during the period	3.929.841	98.913	1.302.471	2.767.846	53.072	250.111	**8.402.254**
Paid during the period (-)	(3.903.507)	-	(290.986)	-	-	-	**(4.194.493)**
Cancellation of provision (-)	-	(14.628)	-	-	-	-	**(14.628)**
As of 30 June 2014	**7.253.036**	**604.384**	**1.302.471**	**2.767.846**	**53.072**	**250.111**	**12.230.920**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 14 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Lawsuits against the Group:

Total amount of initiated law suits against the Group, which has not been resulted until the balance sheet date as of 30 June 2015, is TRY726.890 (31 December 2014: TRY687.176).

Mortgages and Guarantees on Assets:

The Group does not have any mortgages or guarantees on its assets.

Total Insurance Coverage on Assets:

Total insurance coverage on assets as of 30 June 2015 is TRY544.446.540 (31 December 2014: TRY399.734.646).

The total amounts of commitments not included in liabilities are as follows:

Type	**30 June 2015**	**31 December 2014**
Guarantee letters given	43.485.339	22.184.021
Total	**43.485.339**	**22.184.021**

The Group's guarantee/pledge/mortgage ("GPM") positions as of 30 June 2015 and 31 December 2014 are as follows:

	30 June 2015	**31 December 2014**
A. Total amount of GPM given on behalf of the Group	**43.485.339**	**22.184.021**
i. Letter of Guarantee	43.485.339	22.184.021
ii. Mortgages	-	-
B. Total amount of GPM given on behalf of Subsidiaries subject to full consolidation	-	-
C. Total amount of GPM given on behalf of third parties in	-	-
order to sustain operating activities	-	-
D. Total amount of other GPM given	-	-
i. Total amount of GPM given on behalf of main shareholder	-	-
ii. Total amount of GPM given on behalf of other affiliated companies which cannot be classified under section B and C	-	-
iii. Total amount of GPM given on behalf of the third person that cannot be classified under section C	-	-
Total	**43.485.339**	**22.184.021**

The ratio of total amount of other GPM given on behalf of the Group to the Group's shareholders' equity as of 30 June 2015 is 0% (31 December 2014: 0%).

The Group is exposed to foreign currency exchange risk as the Group has foreign currency denominated earnings and liabilities. The Group conducts financial derivative instruments in order to hedge its foreign currency exposure due to fluctuation in foreign currencies.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 15 - PROVISION FOR EMPLOYMENT TERMINATION BENEFITS

	30 June 2015	31 December 2014
Provision for employment termination benefits	**12.629.031**	**12.493.579**

Under the Turkish Labor Law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men).

The liability is not funded in the consolidated financial statements, as there is no funding requirement for provision for employee benefits in Turkey.

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Since the Company calculates the reserve for employee benefits every six months, the maximum amount of TRY3.709,98 which is effective from 30 June 2015 (31 December 2014: TRY3.541,37) has been taken into consideration in the calculations.

In addition, termination indemnities are not paid to employees who leave their jobs voluntarily. With respect to this, estimated value of termination indemnity amounts that will stay in the Group should also be taken into consideration.

According to TAS 19, for the liability of termination indemnities related to the future periods, a convenient discount rate and inflation expectation must be determined to obtain a real discount as a result of offsetting them. This discount rate should be used in the calculation of bringing termination indemnities payable in the future to present value as of balance date.

	30 June 2015	31 December 2014
Discount rate (%)	3,18	3,18
Turnover rate to estimate the probability of retirement (%)	2,70	2,62

The provision calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees is recognised to the financial statements.

Movements in the provision for employee benefits during the period are as follows:

	30 June 2015	30 June 2014
Opening	**12.493.579**	**11.114.649**
Interest cost	526.631	576.417
Remasurement differences	295.140	(44.091)
Paid during the period	(1.155.636)	(721.946)
Current period service cost	469.317	399.467
Ending	**12.629.031**	**11.324.496**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 16 - OTHER ASSETS AND LIABILITIES

Prepaid Expenses	**30 June 2015**	**31 December 2014**
Prepaid insurance expenses	683.824	126.067
Prepaid subscription expenses	29.115	17.094
Prepaid advertisement expenses	23.221	46.708
Prepaid other expenses	775.502	109.067
Total	**1.511.662**	**298.936**

Other current assets	**30 June 2015**	**31 December 2014**
Carried Forward Value Added Tax ("VAT")	10.996.370	12.957.387
Provision for derivative transaction income (Note 29)	-	67.568
Other	505.625	410.811
Total	**11.501.995**	**13.435.766**

Prepaid Expenses	**30 June 2015**	**31 December 2014**
Long-term prepaid other expenses	32.468	19.722
Total	**32.468**	**19.722**

Deferred income (short term)	**30 June 2015**	**31 December 2014**
Short-term deferred income(*)	752.430	1.005.023
Total	**752.430**	**1.005.023**

(*) Subsidies obtained in relation to R&D activities, is going to be recognised in statements of income in 30 June 2015 which corresponds to TRY742.195 (31 December 2014: TRY814.693).

Deferred income (long term)	**30 June 2015**	**31 December 2014**
Long-term deferred income(*)	1.582.927	1.683.193
Total	**1.582.927**	**1.683.193**

(*) Subsidies obtained in relation to R&D activities, is going to be recognised in statements of income in 2015 which corresponds to TRY926.741 (31 December 2013: TRY1.112.720).

NOTE 17 - EQUITY

Capital

As of 30 June 2015, the share capital of the Company is TRY25.419.707. This share capital is divided into 2.541.970.654 shares in total, including 1.366.404.402 A Group registered shares, 755.995.500 B Group registered shares, 419.570.752 C Group bearer's shares, each with nominal value of 1 (one) Kr. The distribution of share capital on the basis of share groups is as follows:

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 17 - EQUITY (Continued)

Capital (Continued)

30 June 2015

NAME	GROUP A	GROUP B	GROUP C	SHARE AMOUNT	SHARE (%)
YAZICILAR HOLDİNG A.Ş.	9.073.187	-	4.478	9.077.665	**35,71**
ÖZİLHAN SINAİ YATIRIM A.Ş.	4.269.734	-	2.108	4.271.842	**16,81**
ANADOLU ENDÜSTRİ HOLDİNG A.Ş.	227.805	-	38.835	266.640	**1,05**
ISUZU MOTORS LTD.	-	4.319.991	-	4.319.991	**16,99**
ITOCHU CORPORATION TOKYO	-	2.405.286	-	2.405.286	**9,46**
ITOCHU CORPORATION İSTANBUL	-	834.678	-	834.678	**3,28**
BEARER TO SHARES PUBLICLY OWNED	-	-	3.811.860	3.811.860	**15,00**
BEARER SHARES	93.318	-	338.427	431.745	**1,70**
TOTAL	**13.664.044**	**7.559.955**	**4.195.708**	**25.419.707**	**100,00**

31 December 2014

NAME	GROUP A	GROUP B	GROUP C	SHARE AMOUNT	SHARE (%)
YAZICILAR HOLDİNG A.Ş.	9.073.187	-	4.478	9.077.665	**35,71**
ÖZİLHAN SINAİ YATIRIM A.Ş.	4.269.734	-	2.108	4.271.842	**16,81**
ANADOLU ENDÜSTRİ HOLDİNG A.Ş.	227.805	-	38.835	266.640	**1,05**
ISUZU MOTORS LTD.	-	4.319.991	-	4.319.991	**16,99**
ITOCHU CORPORATION TOKYO	-	2.405.286	-	2.405.286	**9,46**
ITOCHU CORPORATION İSTANBUL	-	834.678	-	834.678	**3,28**
BEARER TO SHARES PUBLICLY OWNED	-	-	3.811.860	3.811.860	**15,00**
BEARER SHARES	93.318	-	338.427	431.745	**1,70**
TOTAL	**13.664.044**	**7.559.955**	**4.195.708**	**25.419.707**	**100,00**

The amount TRY25.419.707, corresponding to the share capital of the Company, is fully paid up as free from any misleading transactions. The Company is not included in registered capital system.

Privileges Granted to the Share Groups

The Group is directed by the fourteen members of the Board of Directors elected among shareholders by General Assembly in accordance with the regulations of Turkish Commercial Code.

Four members of the Board of Directors are elected from the candidates nominated by the shareholders of Group B and eight members of the Board of Directors are elected from the candidates nominated by the shareholders of Group A and the remaining members of the Board of Directors are elected as independend Board of Directors members from the candidates nominated by the General Assembly.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 17 - EQUITY (Continued)

Privileges Granted to the Share Groups (Continued)

30 June 2015

Paid-in share capital	25.419.707
Adjustment to share capital	86.901.880
Restricted reserves	162.363.654
Retained earnings	31.047.813
Gain on revaluation and reclassification	(123.114)
Net profit for the year	10.456.637
Shareholders' equity attributable to equity holders of the parent	**316.066.577**
Non-controlling shares	**-**
Total shareholders' equity	**316.066.577**

31 December 2014

Paid-in share capital	25.419.707
Adjustment to share capital	86.901.880
Restricted reserves	159.657.537
Retained earnings	27.468.021
Gain on revaluation and reclassification	112.998
Net profit for the year	34.342.260
Shareholders' equity attributable to equity holders of the parent	**333.902.403**
Non-controlling shares	**-**
Total shareholders' equity	**333.902.403**

Restricted reserves

Restricted reserves are comprised of legal reserves and other reserves.

	30 June 2015	31 December 2014
Legal reserves	22.477.015	19.770.898
Gain on sales of land and buildings	138.437.248	138.437.248
Profit reserves from sale of affiliates	1.449.390	1.449.390
Profit on cancelled shares certificates	1	1
Total	**162.363.654**	**159.657.537**

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code ("TCC"). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group's paid-in capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in capital. Under the TCC, the legal reserves can be used only to offset losses and are not available for any other usage unless they exceed 50% of paid-in capital. Also, when profit related to the sale of immovables is considered within the scope of Article 5/e of Corporate Income Tax Law No. 5520, it is categorised under this account group as "Real Estate Sales Profit Exemption". As of 30 June 2015, the Group's total restricted reserves are TRY162.363.654 (31 December 2014: TRY159.657.537).

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 17 - EQUITY (Continued)

Retained earnings

Retained earnings is comprised of extraordinary reserves, miscellaneous inflation differences and other prior years' income.

The Group's prior years' income details as of period ends are as follows:

	30 June 2015	31 December 2014
Extraordinary reserves	5.965.961	2.386.169
Inflation difference of legal reserves	25.081.046	25.081.046
Inflation difference of cancelled shares certificates	806	806
Total	**31.047.813**	**27.468.021**

Dividend distribution of the quoted companies in Turkey is as follows:

Based on the CMB Decree 7/242, dated 25 February 2005, if the amount of profit distributions calculated in accordance with the net distributable profit requirements of the CMB does not exceed the statutory net distributable profit, the total amount of distributable profit should be distributed. If it exceeds the statutory net distributable profit, the total amount of the statutory net distributable profit should be distributed. However, no profit distribution would be made if any financial statements prepared in accordance with the CMB or any statutory accounts carrying net loss for the period. In accordance with the CMB's decision dated 27 January 2010; it is decided not to bring any obligation for any minimum profit distribution about dividend distribution which will be made for publicly owned companies.

Inflation adjustment difference in Equity can be utilised in issuing bonus shares and in offsetting accumulated losses; the carrying amount of extraordinary reserves could have been utilised in issuing bonus shares, cash dividend distribution and offsetting accumulated losses. However, equity inflation adjustment differences will be liable to corporate tax if it is used in cash profit distribution.

In the financial statements prepared according to the standards of the CMB, the Group's retained profits amounted to TRY31.047.813.

In accordance with the Communiqué No:XI-29 and related announcements of CMB, effective from 1 January 2008, "Share Capital", "Restricted Reserves" and "Share Premiums" shall be carried at their statutory amount. The valuation differences shall be classified as follows:

- The difference arising from the "Paid-in Capital" and not been transferred to capital yet, shall be classified under the "Inflation Adjustment to Share Capital";

- The difference due to the inflation adjustment of "Restricted Reserves" and "Share Premium" and the amount has not been utilised in dividend distribution or capital increase yet, shall be classified under "Retained Earnings". Other equity items shall be carried at the amounts calculated based on CMB Financial Reporting Standards.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 18 - SALES AND COST OF SALES

Sales	**1 January 2015- 30 June 2015**	**1 April 2015- 30 June 2015**	**1 January 2014- 30 June 2014**	**1 April 2014- 30 June 2014**
Domestic sales	447.425.562	260.436.524	288.893.610	153.633.926
Foreign sales	31.851.098	19.143.591	60.624.922	22.725.274
Other sales	2.553.187	1.420.742	3.016.948	1.479.638
Income from sales (Gross)	**481.829.847**	**281.000.857**	**352.535.480**	**177.838.838**
Less: Discounts	(37.206.602)	(21.330.224)	(29.044.762)	(10.760.554)
Income from sales (Net)	**444.623.245**	**259.670.633**	**323.490.718**	**167.078.284**
Cost of sales	**(367.880.569)**	**(217.298.392)**	**(264.949.219)**	**(139.379.061)**
Gross operating profit	**76.742.676**	**42.372.241**	**58.541.499**	**27.699.223**

Cost of sales are summarised as follows:

Cost of Sales	**1 January 2015- 30 June 2015**	**1 April 2015- 30 June 2015**	**1 January 2014- 30 June 2014**	**1 April 2014- 30 June 2014**
Direct raw material costs	328.280.380	197.958.111	218.337.593	117.609.563
Direct labor costs	19.347.925	11.322.014	14.198.530	7.636.094
Depreciation and amortisation expenses	7.852.939	3.977.161	5.841.466	2.941.712
Manufacturing overhead costs	8.433.977	4.763.425	5.108.046	2.609.189
Total cost of production	**363.915.221**	**218.020.711**	**243.485.635**	**130.796.558**
Change in semi-finished goods and finished goods inventory	(24.098.610)	(18.032.866)	(39.615.792)	(27.771.761)
Cost of trade goods sold	26.787.708	16.630.813	59.477.001	34.952.375
Other cost of sales	1.276.250	679.734	1.602.375	1.401.889
Total cost of sales	**367.880.569**	**217.298.392**	**264.949.219**	**139.379.061**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 19 - RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SELLING AND DISTRIBUTIONS EXPENSES AND GENERAL ADMINISTRATIVE EXPENSES

a) Research and development expenses	**1 January 2015- 30 June 2015**	**1 April 2015- 30 June 2015**	**1 January 2014- 30 June 2014**	**1 April 2014- 30 June 2014**
Personnel expenses	(435.456)	(273.172)	(360.182)	(121.547)
Project costs	(187.247)	(139.467)	(120.409)	57.410
Depreciation and amortisation expenses	(194.420)	(57.491)	(63.453)	(38.820)
Other	(765.288)	(409.152)	(568.305)	(221.858)
Total Research and Development Expenses	**(1.582.411)**	**(879.282)**	**(1.112.349)**	**(324.815)**

b) Marketing, selling and distribution expenses				
Domestic sales expenses	(4.149.424)	(2.276.272)	(3.440.393)	(1.955.200)
Export expenses	(2.665.981)	(1.531.085)	(3.576.139)	(1.375.402)
Personnel expenses	(4.886.818)	(2.554.394)	(3.930.175)	(2.000.023)
Advertising expenses	(3.495.534)	(2.036.757)	(2.129.322)	(1.631.586)
Warranty expenses	(7.488.968)	(3.990.759)	(3.929.841)	(1.971.555)
Depreciation and amortisation expenses	(834.540)	(438.485)	(729.485)	(364.978)
Other	(9.459.767)	(5.750.250)	(7.619.737)	(4.413.590)
Total Marketing, Selling and Distribution Expenses	**(32.981.032)**	**(18.578.002)**	**(25.355.092)**	**(13.712.334)**

c) General and administrative expenses				
Personnel expenses	(6.614.183)	(3.328.826)	(5.672.777)	(3.163.722)
Provision for employee termination benefits	(469.317)	(236.194)	(399.467)	(196.419)
Service and work expenses	(5.790.439)	(2.841.573)	(4.851.328)	(1.922.947)
Depreciation and amortisation expenses	(723.676)	(358.016)	(459.030)	(227.200)
Insurance expenses	(717.703)	(366.904)	(547.466)	(266.341)
Other	(3.036.723)	(1.864.621)	(2.186.859)	(1.151.208)
Total General and Administrative Expenses	**(17.352.041)**	**(8.996.134)**	**(14.116.927)**	**(6.927.837)**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 20 - EXPENSES BY NATURE

	1 January 2015 30 June 2015	1 April 2015 30 June 2015	1 January 2014 30 June 2014	1 April 2014 30 June 2014
Direct material costs	328.280.380	197.958.111	218.337.593	117.609.563
Cost of trade goods sold	26.787.708	16.630.813	59.477.001	34.952.375
Cost of other goods sold	1.276.251	679.735	1.602.375	1.401.890
Change in goods inventory	(24.098.610)	(18.032.866)	(39.615.792)	(27.771.761)
Other operational expenses	37.757.076	21.206.844	28.921.545	14.861.603
Personnel expenses	31.753.697	17.714.597	24.609.385	13.108.480
Depreciation and amortisation expenses	9.605.575	4.831.152	7.093.435	3.572.711
Other production expenses	8.433.977	4.763.425	5.108.046	2.609.187
Total expenses	**419.796.054**	**245.751.811**	**305.533.588**	**160.344.048**

Expenses by nature include cost of goods sold, marketing, selling and distribution expenses, general administration expenses and research and development expenses.

NOTE 21 - OTHER OPERATING INCOME/EXPENSES

Other operating income:	1 January 2015- 30 June 2015	1 April 2015- 30 June 2015	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014
Foreign exchange gains on trade activities	1.146.081	771.759	715.244	579.011
Rediscount income on trade payables	3.387.259	91.482	1.874.532	(77.319)
Rent income	42.070	20.088	44.803	22.467
Service income	91.500	17.134	11.700	11.700
Tubitak R&D income	423.887	220.214	445.719	248.450
Export support	101.442	-	140.957	140.957
Insurance reimbursment income	39.425	2.281	9.149	6.574
Other	969.109	450.413	215.132	118.321
Total	**6.200.773**	**1.573.371**	**3.457.236**	**1.050.161**

Other operating expense:				
Foreign exchange loss on trade activities	(13.086.479)	(626.212)	(2.310.882)	715.856
Rediscount expenses on trade receivables	(3.221.889)	(208.001)	(2.261.995)	221.275
Donations	(112.545)	(84.190)	(504.000)	(301.500)
Other	(167.126)	(139.426)	(31.283)	(8.094)
Total	**(16.588.039)**	**(1.057.829)**	**(5.108.160)**	**627.537**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 22 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES

Income from investing activities	**1 January 2015- 30 June 2015**	**1 April 2015- 30 June 2015**	**1 January 2014- 30 June 2014**	**1 April 2014 - 30 June 2014**
Gain on sales of machinery and equipment	64.373	61.108	30.821	30.821
Gain on sales of subsidiary share	-	-	25.852	24.541
Total	**64.373**	**61.108**	**56.673**	**55.362**

Expense from investing activities	**1 January 2015- 30 June 2015**	**1 April 2015- 30 June 2015**	**1 January 2014- 30 June 2014**	**1 April 2014 - 30 June 2014**
Loss on sales of machinery and equipment	-	-	(33.145)	(26.426)
Loss on sales of subsidiary share	-	-	(626)	(626)
Total	**-**	**-**	**(33.771)**	**(27.052)**

NOTE 23 - FINANCIAL INCOME

Financial income	**1 January 2015- 30 June 2015**	**1 April 2015- 30 June 2015**	**1 January 2014- 30 June 2014**	**1 April 2014 - 30 June 2014**
Interest income	4.819.629	2.402.232	8.667.110	3.910.694
Late charge income	122.723	(401.048)	989.924	582.244
Foreign exchange gain	7.066.406	3.304.598	3.139.580	21.314
Total	**12.008.758**	**5.305.782**	**12.796.614**	**4.514.252**

NOTE 24 - FINANCIAL EXPENSES

Financial expenses:	**1 January 2015- 30 June 2015**	**1 April 2015- 30 June 2015**	**1 January 2014- 30 June 2014**	**1 April 2014 - 30 June 2014**
Financial expenses:	(4.067.187)	(2.463.678)	(4.336.672)	(1.991.626)
Interest expenses	(9.468.114)	(6.503.743)	(4.170.286)	(392.737)
Foreign exchange losses	(855.312)	(473.152)	(582.451)	(287.547)
Rediscount expenses	(855.950)	(438.076)	(724.715)	(391.501)
Total	**(15.246.563)**	**(9.878.649)**	**(9.814.124)**	**(3.063.411)**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 25 - TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

The Group's tax (expense)/income is comprised of current period corporate tax expense and deferred tax income/(expense).

Account name	**1 January 2015- 30 June 2015**	**1 April 2015- 30 June 2015**	**1 January 2014- 30 June 2014**	**1 April 2014 - 30 June 2014**
Corporate tax provision (-)	(1.759.895)	(1.698.941)	(3.475.683)	(1.510.361)
Deferred tax income / (expense)				
- Income Statement	950.038	572.435	1.207.796	376.197
Tax Income / (Expense) - Income statetement	**(809.857)**	**(1.126.506)**	**(2.267.887)**	**(1.134.164)**
Tax Income / (Expense)				
- Comprehensive income statement	59.028	(9.303)	(8.818)	(66.196)
Total Tax Income / (Expense)	**(750.829)**	**(1.135.809)**	**(2.276.705)**	**(1.200.360)**

	30 June 2015	**31 December 2014**
Current period corporate tax provision	1.759.895	4.267.224
Prepaid taxes	(783.106)	(4.191.980)
Taxes Payable	**976.789**	**75.244**

i) Provision for Current Period Tax

The Group is subject to Corporate Tax in Turkey. Necessary provisions in supplementary financial statements have been made for estimated tax liabilities regarding Group's operations in the current period.

The corporate tax to be accrued over the taxable profit is calculated by adding non-deductible expenses to the accounting profit ; deducting investment and research and development allowances , income not subject to taxation and the dividends received, from companies located in Turkey, from the accounting profit.

Effective Corporate Tax Rates:

The corporate tax rate was determined as 20% by the Corporate Tax Law No.5520 after publishing at Official Gazette on 21 September 2006 including the earnings in the fiscal year 2006.

Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

According to Corporate Tax Law's 24th article, the corporate tax is imposed by the taxpayer's tax returns. There is not an exact mutual agreement procedure with Tax Authorities in Turkey. Annual corporate tax returns are submitted to the relating tax offices until the 25th of April in the following year. Tax authorities have the right to audit tax declarations and accounting records for 5 years, and may issue re-assessment based on their findings.

Income Withholding Tax:

In addition to corporate tax, companies should also calculate income withholding tax on any dividends and income distributed, except for resident companies in Turkey receiving dividends from resident companies in Turkey and Turkish branches of foreign companies. The rate of withholding tax has been increased from 10% to 15% upon the Cabinet decision No: 2006/10731, which was published in Official Gazette on July 23, 2006.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 25 - TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

ii) Deferred Tax:

The deferred tax asset and tax liability are based on the temporary differences, which arise between the financial statements prepared according to TFRS/TAS and statutory tax financial statements. These differences are usually due to the recognition of income and expenses in different reporting periods between TFRS/TAS and tax purposes.

Temporary differences are result of recognizing certain income and expense items differently for accounting and tax purposes. Temporary differences are calculated off of the tangible fixed assets (except land and buildings), intangible fixed assets, stocks, the revaluation of prepaid expenses, discount of receivables, provision for termination indemnities, and previous years' loss. Every accounting year, the Group reviews the deferred tax asset and in circumstances, where the deferred tax assets cannot be used against the future taxable income, the Group writes-off the recorded deferred tax asset. Corporate tax rate is used in the calculation of deferred taxes.

	30 June 2015		31 December 2014	
	Culumative Temporary Differences	Deferred Tax Assets/(Liabilities)	Culumative Temporary Differences	Deferred Tax Assets/(Liabilities)
Inventories	1.825.577	365.115	1.769.506	353.901
Property, plant and equipment (Net)	(36.442.104)	(7.288.421)	(37.184.966)	(7.436.993)
Provision for employment benefits	12.629.031	2.525.806	12.493.579	2.498.716
Warranty provisions	10.705.534	2.141.108	8.390.952	1.678.190
Provision for employee benefits	1.679.316	335.863	427.623	85.525
Rediscount income/expense (Net)	1.696.261	339.252	1.860.432	372.086
Provision for lawsuits	726.890	145.378	687.176	137.435
Other (Net)	728.250	145.650	59.125	11.825
Total Deferred Tax Liabilities, net		**(1.290.249)**		**(2.299.315)**

Movement of Deferred Tax Assets / (Liabilities):	**1 January 2015-30 June 2015**	**1 January 2014-30 June 2014**
Opening balance	(2.299.315)	(2.304.085)
Deferred tax income/(loss) (income statement)	950.038	1.207.796
Deferred tax income/(loss) (comprehensive income statement)	59.028	(8.818)
Closing balance	**(1.290.249)**	**(1.105.107)**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 25 - TAXATION ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

Reconciliations of tax provision with the current period loss are as follows:

Reconciliation of tax provision:	**1 January 2015- 30 June 2015**	**1 January 2014- 30 June 2014**
Income from continuing operations	**11.266.494**	**19.311.599**
Corporate tax rate 20%	(2.253.299)	(3.862.320)
Taxation effect:		
- R&D deductions	1.303.684	1.316.978
- Income on R&D subsidies	84.777	89.144
- Non-deductible expenses for tax purposes	(22.643)	(3.864)
- Non-deductible incomes for tax purposes	77.624	97.008
-Other	-	95.167
(Loss)/income tax provision on statements of income	**(809.857)**	**(2.267.887)**

NOTE 26 - INCOME/(LOSS) PER SHARE

	1 January 2015- 30 June 2015	**1 April 2015- 30 June 2015**	**1 January 2014- 30 June 2014**	**1 April 2014- 30 June 2014**
Net income for the period (TRY)	10.456.637	8.796.100	17.043.712	8.756.922
Weighted average number of shares with nominal value of Kr 1 each	2.541.970.654	2.541.970.654	2.541.970.654	2.541.970.654
Income per 100 share with nominal value of TRY 1 each	**0,4114**	**0,3460**	**0,6705**	**0,3445**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 27 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) Related party balances:

Group's receivables from related parties are mainly due to trade goods, service sales and rent income. Group's payables to related parties are mainly due to raw material, service purchases and rent expenses.

30 June 2015

	Receivables		Payables	
1) Related Parties	**Trade**	**Other**	**Trade**	**Other**
Payables to shareholders (*)	-	-	-	9.109
Anadolu Endüstri Holding A.Ş.	-	-	4.627	-
Itochu Corporation Tokyo	-	-	162.803.872	-
Isuzu Motors International Operation Thailand	-	-	5.882.650	-
Isuzu Motors Co. Thailand Ltd.	33.766	-	-	-
Isuzu Motors Ltd. Tokyo	43.608	-	2.480.364	-
Çelik Motor Ticaret A.Ş.	35.433	-	-	-
Anadolu Motor Üretim ve Paz. A.Ş.	24.827	-	-	-
Efestur Turizm İşletmeleri A.Ş.	-	-	196.744	-
Anadolu Bilişim Hizmetleri A.Ş.	-	-	385.107	-
Anadolu Efes Biracılık ve Malt Sanayi A.Ş.	-	-	1.659	-
Yazıcılar Holding A.Ş.	-	-	6.962	-
Adel Kalemcilik Tic. ve San. A.Ş.	3.415	-	-	-
AEH Sigorta Acenteliği A.Ş.	-	-	42.198	-
AEH Gayrimenkul Yatırımları A.Ş.	-	-	1.914	-
Anadolu Sağlık Merkezi İktisadi İşletmesi	-	-	1.847	-
Oyex Handels Gmbh	-	-	41.494	-
Total	**141.049**	**-**	**171.849.438**	**9.109**

(*) Payables to shareholders balance is classified under other payables in the consolidated balance sheet.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 27 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

a) Related party balances (Continued):

31 December 2014

	Receivables		Payables	
1) Related Parties	**Trade**	**Other**	**Trade**	**Other**
Payables to shareholders(*)	-	-	-	9.109
Anadolu Endüstri Holding A.Ş.	50.325	-	-	-
Itochu Corporation Tokyo	-	-	117.039.076	-
Isuzu Motors International Operation Thailand	390.713	-	21.007.658	-
Isuzu Motors Ltd. Tokyo	750.768	-	3.159.958	-
Çelik Motor Ticaret A.Ş.	415.195	-	-	-
Efestur Turizm İşletmeleri A.Ş.	-	-	62.226	-
Anadolu Bilişim Hizmetleri A.Ş.	-	-	1.277.004	-
Anadolu Efes Biracılık ve Malt Sanayi A.Ş.	-	-	424	-
Adel Kalemcilik Tic. ve San. A.Ş.	4.720	-	-	-
AEH Sigorta Acenteliği A.Ş.	-	-	22.374	-
Anadolu Otomotiv Dış Ticaret A.Ş.	90	-	-	-
Total	**1.611.811**	**-**	**142.568.720**	**9.109**

(*) Payables to shareholders balance is classified under other payables in the consolidated balance sheet.

b) Related party transactions:

1 January -30 June 2015

Sales to related parties	**Goods and Service sales**	**Sales of Fixed assets**	**Other income**	**Total revenues / Sales**
Isuzu Motors International Operation Thailand	317.798	-	-	**317.798**
Isuzu Motors Ltd. Tokyo	729.705	-	-	**729.705**
Isuzu Motors Co. Thailand Ltd.	28.615	-	-	**28.615**
Çelik Motor Ticaret A.Ş.	378.752	-	-	**378.752**
Adel Kalemcilik Tic. ve San. A.Ş.	-	-	12.986	**12.986**
Anadolu Motor Üretim ve Paz. A.Ş.	153.253	-	-	**153.253**
Kamil Yazıcı Yönetim ve Danışmanlık A.Ş.	29.181	-	-	**29.181**
Alternatifbank A.Ş.	-	-	2.793.099	**2.793.099**
Anadolu Efes Biracılık ve Malt Sanayi A.Ş.	2.171	-	-	**2.171**
Total	**1.639.475**	**-**	**2.806.085**	**4.445.560**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 27 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

b) Related party transactions(Continued):

1 January -30 June 2014

Sales to related parties	Goods and Service sales	Sales of Fixed assets	Rent income	Total revenues / Sales
Isuzu Motors International Operation Thailand	683.833	-	-	**683.833**
Isuzu Motors Ltd. Tokyo	749.112	-	-	**749.112**
Çelik Motor Ticaret A.Ş.	338.286	-	-	**338.286**
Adel Kalemcilik Tic. ve San. A.Ş.	-	-	12.000	**12.000**
Anadolu Bilişim Hizmetleri A.Ş.	54.382	-	-	**54.382**
Anadolu Motor Üretim ve Paz. A.Ş.	170.029	-	9.000	**179.029**
Total	**1.995.642**	**-**	**21.000**	**2.016.642**

1 January -30 June 2015

Purchases from related parties	Goods and Service purchases	Fixed asset purchases	Other Expense	Total expense/ Purchases
Çelik Motor Ticaret A.Ş.	7.219	-	405.422	**412.641**
Anadolu Endüstri Holding A.Ş.	2.349.451	1.300	2.940	**2.353.691**
Itochu Corporation Tokyo	104.004.194	-	-	**104.004.194**
Isuzu Motors International Operation Thailand	65.030.861	-	-	**65.030.861**
Isuzu Motors Ltd. Tokyo	5.024.485	-	-	**5.024.485**
Isuzu Motors Ltd. Europe	3.070	-	-	**3.070**
Efestur Turizm İşletmeleri A.Ş.	1.631.762	-	-	**1.631.762**
Anadolu Bilişim Hizmetleri A.Ş.	1.540.135	197.420	-	**1.737.555**
Adel Kalemcilik Tic. ve San. A.Ş.	1.435	-	-	**1.435**
Anadolu Efes Biracılık ve Malt Sanayi A.Ş.	3.246	-	-	**3.246**
Alternatifbank A.Ş.	-	-	159.816	**159.816**
Anadolu Sağlık Merkezi İktisadi İşletmesi	71.188	-	-	**71.188**
AEH Gayrimenkul Yatırımları A.Ş.	1.622	-	-	**1.622**
Oyex Handels Gmbh	41.494	-	-	**41.494**
Total	**179.710.162**	**198.720**	**568.178**	**180.477.060**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 27 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

b) Related party transactions: (Continued)

1 January -30 June 2014

Purchases from related parties	**Goods and Service purchases**	**Fixed asset purchases**	**Rent Expense**	**Total expense/ Purchases**
Çelik Motor Ticaret A.Ş.	587	-	336.276	**336.863**
Anadolu Endüstri Holding A.Ş.	2.064.396	1.060	3.375	**2.068.831**
Itochu Corporation Tokyo	76.185.322	-	-	**76.185.322**
Isuzu Motors International Operation Thailand	47.364.947	-	-	**47.364.947**
Isuzu Motors Ltd. Tokyo	3.771.626	-	-	**3.771.626**
Isuzu Motors Ltd. Europe	6.743	-	-	**6.743**
Efestur Turizm İşletmeleri A.Ş.	1.766.866	-	-	**1.766.866**
Anadolu Bilişim Hizmetleri A.Ş.	900.530	1.016.605	-	**1.917.135**
Anadolu Efes Biracılık ve Malt Sanayi A.Ş.	4.528	-	-	**4.528**
Anadolu Sağlık Merkezi İktisadi İşletmesi	3.889	-	-	**3.889**
Anadolu Araçlar Ticaret A.Ş.	140	-	-	**140**
Total	**132.069.574**	**1.017.665**	**339.651**	**133.426.890**

c) Donations to Anadolu Eğitim ve Sosyal Yardım Vakfı:

As per the Article No:19 of the Articles of Association of the Company, at least 2% - 5% of the Company's profit before tax following the distribution of 1st dividend shall be donated to Anadolu Eğitim ve Sosyal Yardım Vakfı as long as it is subject to tax exemption. In this regard, the Group donated TRY80.000 to Anadolu Eğitim ve Sosyal Yardım Vakfı in the current period (2014: TRY1.100.000).

d) Key management compensation:

	1 January 2015- 30 June 2015	**1 January 2014- 30 June 2014**
Salaries and other short-term benefits	1.651.141	1.538.696
Total	**1.651.141**	**1.538.696**

Key management compensation includes salaries, premiums and social security contributions.

NOTE 28 - FINANCIAL RISK MANAGEMENT

(a) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing its profit and market value through the optimization of the debt and equity balance.

The Group's equity comprised of cash and cash equivalents (Note 4) and respectively share capital, capital reserves, profit reserves and retained earnings items (Note 17).

Risks, associated with each capital class, and the capital cost are evaluated by the top management. It is aimed that the capital structure will be set in balance by means of new borrowings or repaying the existing debts as well as dividend payments and new share issuances based on the top management evaluations.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

The Group monitors capital by using debt to total capital ratio. This ratio is calculated by dividing the net debt by total capital. The net debt is calculated by excluding the cash and cash equivalent amounts from the total debt amount (including credits, leasing and trade payables as indicated in the balance sheet). Total capital is calculated by adding net debt to shareholders' equity as indicated in the balance sheet.

	30 June 2015	31 December 2014
Financial Liabilities	287.050.727	209.035.920
Total Shareholders' Equity	316.066.577	333.902.403
Debt/Total equity	**0,91**	**0,63**

General strategy of the Group based on shareholders' equity is not different from previous periods.

The Group conducts hedging contracts (including derivative financial instruments) for the purpose of diversifying foreign currency fluctuation risks.

(b) Price risk

Equity instruments which are classified on Group's balance sheet as available-for-sale are subjected to price risk. In order to manage the price risk due to capital instruments, The Group has a limited number of financial assets which are available-for-sale.

(c) Market risk

The Group is subject to the financial risks related to the changes in the exchange rate (Please see (d) below) and interest rate (Please see (e) below) due to its operations and other (Please see (f) below). Also due to having financial instruments, the Group also bears the risk of other parties not meeting the requirements of agreements (Please see (g) below).

Market risks seen at the level of the Group are measured in accordance with sensitivity analyses.

The market risk of the Group incurred during the current year or the method of handling the encountered risks or the method of measuring those risks are not different from the previous year.

(d) Foreign exchange risk

Foreign currency transactions may result in foreign currency fluctuation risk.

The Group maintains foreign currency time deposit accounts in banks as the Group has receivables and payables in foreign currencies. As a consequence, the Group is exposed to foreign currency exchange risk due to the changes in exchange rates used for converting assets and liabilities into TRY. Foreign exchange risk arises from future trade operations and the differences between assets and liabilities.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

Sensitivity analysis of foreign exchange

30 June 2015

	Profit/Loss	
	Appreciation of foreign currency	**Depreciation of foreign currency**
If US$ appreciated/(depreciated) against TRY by 10%;		
1- USD currency net asset/liability	(546.015)	546.015
2- Hedged items (-)	-	-
3- Net effect of USD (1+2)	**(546.015)**	**546.015**
If EUR appreciated/(depreciated) against TRY by 10%;		
4- EUR currency net asset/liability	(8.895.970)	8.895.970
5- Hedged items (-)	-	-
6- Net effect of EUR(4+5)	**(8.895.970)**	**8.895.970**
If other foreign exhange rates appreciated/(depreciated) against TRY by 10%;		
7- Other foreign exhange rates currency net asset/liability	(15.787.749)	15.787.749
8- Hedged items (-)	-	-
9- Net effect of other foreign exhange rates (7+8)	**(15.787.749)**	**15.787.749**
TOTAL (3+6+9)	**(25.229.734)**	**25.229.734**

Sensitivity analysis of foreign exchange

31 December 2014

	Profit/Loss	
	Appreciation of foreign currency	**Appreciation of foreign currency**
If US$ appreciated/(depreciated) against TRY by 10%;		
1- USD currency net asset/liability	(1.881.559)	1.881.559
2- Hedged items (-)	-	-
3- Net effect of USD (1+2)	**(1.881.559)**	**1.881.559**
If EUR appreciated/(depreciated) against TRY by 10%;		
4- EUR currency net asset/liability	(4.033.740)	4.033.740
5- Hedged items (-)	-	-
6- Net effect of EUR(4+5)	**(4.033.740)**	**4.033.740**
If other foreign exhange rates appreciated/(depreciated) against TRY by 10%;		
7- Other foreign exhange rates currency net asset/liability	(10.923.707)	10.923.707
8- Hedged items (-)	-	-
9- Net effect of other foreign exhange rates (7+8)	**(10.923.707)**	**10.923.707**
TOTAL (3+6+9)	**(16.839.006)**	**16.839.006**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

Foreign currency position table

	30 June 2015					31 December 2014				
	TRY Amount	USD	EUR	JPY	Other	TRY Amount	USD	EUR	JPY	Other
1. Trade receivables	12.597.605	92.500	4.126.321	2.000.000	-	20.270.331	311.491	6.930.200	-	-
2a. Monetary financial assets	14.125.810	112.587	2.240.093	327.466.663	684	19.091.992	786.688	5.098.489	148.972.711	1.184
2b. Non-monetary financial assets	-	-	-	-	-	-	-	-	-	-
3. Other	138.663	-	-	6.359.532	-	123.038	-	-	6.359.532	-
4. Total current assets (1+2+3)	**26.862.078**	**205.087**	**6.366.414**	**335.826.195**	**684**	**39.485.361**	**1.098.179**	**12.028.689**	**155.332.243**	**1.184**
5. Trade receivables	-	-	-	-	-	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-	-	-	-	-	-
7. Other	-	-	-	-	-	-	-	-	-	-
8. Total non-current assets (5+6+7)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
9. Total assets(4+8)	**26.862.078**	**205.087**	**6.366.414**	**335.826.195**	**684**	**39.485.361**	**1.098.179**	**12.028.689**	**155.332.243**	**1.184**
10. Trade payables	176.432.513	2.237.480	1.750.131	7.576.716.611	-	146.138.447	9.065.166	2.048.215	6.168.240.300	803
11. Financial liabilities	50.139.186	-	16.812.818	-	-	28.637.373	-	10.152.577	-	-
12a. Other monetary liabilities	1.890.333	200	633.692	-	-	4.934.141	147.027	1.628.390	-	-
12b. Other non-monetary liabilities	-	-	-	-	-	-	-	-	-	-
13. Total current liabilities (10+11+12)	**228.462.032**	**2.237.680**	**19.196.641**	**7.576.716.611**	**-**	**179.709.961**	**9.212.193**	**13.829.182**	**6.168.240.300**	**803**
14. Trade payables	-	-	-	-	-	-	-	-	-	-
15. Financial liabilities	50.697.400	-	17.000.000	-	-	28.207.000	-	10.000.000	-	-
16a. Other monetary liabilities	-	-	-	-	-	-	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-	-	-	-	-	-	-
17. Total non-current liabilities (14+15+16)	**50.697.400**	**-**	**17.000.000**	**-**	**-**	**28.207.000**	**-**	**10.000.000**	**-**	**-**
18. Total liabilities (13+17)	**279.159.432**	**2.237.680**	**36.196.641**	**7.576.716.611**	**-**	**207.916.961**	**9.212.193**	**23.829.182**	**6.168.240.300**	**803**
19. Off-balance sheet derivative instruments net position (19a-19b)	**-**	**-**	**-**	**-**	**-**	**41.537**	**-**	**(2.500.000)**	**366.635.000**	**-**
19a. Total Amount of Hedged Assets	-	-	-	-	-	7.093.287	-	-	366.635.000	-
19b. Total Amount of Hedged Liabilities	-	-	-	-	-	7.051.750	-	2.500.000	-	-
20. Net Foreign Exchange Asset / (Liability) Position (9-18+19)	**(252.297.354)**	**(2.032.593)**	**(29.830.227)**	**(7.240.890.416)**	**684**	**(168.390.063)**	**(8.114.014)**	**(14.300.493)**	**(5.646.273.057)**	**381**
21. Monetary Items Net Foreign Exchange Asset / (liability) Position (1+2a+5+6a-10-11-12a-14-15-16a)	**(252.436.017)**	**(2.032.593)**	**(29.830.227)**	**(7.247.249.948)**	**684**	**(168.554.638)**	**(8.114.014)**	**(11.800.493)**	**(6.019.267.589)**	**381**
22. Total Fair Value of Financial Instruments Used for the Foreign Exchange Hedge	**-**					**-**				
23. The Amount of Hedged part of Foreign Exchange Assets	**-**					**(7.051.750)**				
24. The Amount of Hedged part of Foreign Exchange Liabilities	**-**					**7.093.287**				
25. Export	**31.851.098**					**119.392.771**				
26. Import	**208.443.850**					**329.644.134**				

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

(e) Interest rate risk

The Group is exposed to interest rate risk either through market value fluctuations of balance sheet items or the impact of rate changes on interest-sensitive assets and liabilities. The financial liabilities and assets with fixed and variable rates are respectively shown at Note 6 and Note 4.

Interest rate position table

	30 June 2015	**31 December 2014**
Financial assets with fixed rates		
Financial assets		
Cash and cash equivalent	67.812.705	94.493.229
Financial liabilities	(45.758.995)	(43.714.139)
Financial liabilities with variable rates		
Financial liabilities	(75.237.139)	(60.297.527)

As of 30 June 2015 if the market interest rates were increased/decreased by 100 basis points where all other variables held constant, loss before taxes for the period would have been higher/lower by TRY752.371 (31 December 2014: TRY602.975 higher/lower).

(f) Funding risk

The ability to fund the existing and prospective debt requirements is managed as necessary by obtaining adequate committed funding lines from high quality lenders.

(g) Credit risk management

The risk of a financial loss for the Group due to failing of one of the parties of the contract to meet its obligations is defined as credit risk. The Group's credit risk is basically related to its receivables. The balance shown in the balance sheet is formed by the net amount after deducting the doubtful receivables arisen from the Group management's forecasts based on its previous experience and current economical conditions (Note 7).

Most of trade receivables are comprised of receivables from customers who have given an adequate amount of guarantees. An effective control system was established to collect the receivables. Credit risk arising from transactions is followed and these risks are taken into account when assessing each debtor. Because there are so many customers, the Group's credit risk is dispersed and there is no important credit risk concentration. The receivables from foreign customers as of 30 June 2015 are TRY12.597.605 (31 December 2014: TRY20.270.331).

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

(g) Credit risk management (Continued)

30 June 2015	Receivables					Deposits in Banks	Note
	Trade receivables		Other				
	Related Parties	Other	Related Parties	Other	Note		
Maximum credit risk exposed as of the date of reporting (A+B+C+D+E)	**141.049**	**220.997.280**	**-**	**9.874.079**		**84.325.176**	
- The part of maximum risk secured by guarantee etc.	-	220.997.280	-	-	7	-	
A. Net book value of financial assets which are undue or which is not impaired	**141.049**	**209.828.135**	**-**	**9.874.079**	**7-8-27**	**84.325.176**	**4**
B. Book value of financial assets which conditions are renegotiated, and which otherwise would be counted as overdue or impaired.	**-**	**-**	**-**	**-**	**-**	**-**	
C. Net book value of assets, overdue but not impaired	**-**	**11.169.145**	**-**	**-**	**-**	**-**	
- Secured by guarantee and etc.	-	11.169.145	-	-		-	
D. Net book value of assets decrease in value	**-**	**-**	**-**	**-**		**-**	
- Overdue (gross book value)	-	*(333.324)*	-	-	7	-	
- Impairment (-)	-	*333.324*	-	-	7	-	
- The part of net value secured by guarantee etc.	-	-	-	-		-	
- Undue (gross book value)	-	-	-	-		-	
- Impairment (-)	-	-	-	-		-	
- The part of net value secured by guarantee etc.	-	-	-	-		-	
E. Elements containing credit risk off the balance sheet	**-**	**-**	**-**	**-**		**-**	

31 December 2014	Receivables					Deposits in Banks	Note
	Trade receivables		Other				
	Related Parties	Other	Related Parties	Other	Note		
Maximum credit risk exposed as of the date of reporting (A+B+C+D+E)	**1.611.811**	**229.092.922**	**-**	**533.055**		**111.044.344**	
- The part of maximum risk secured by guarantee etc.	-	229.092.922	-	-	7	-	
A. Net book value of financial assets which are undue or which is not impaired	**1.611.811**	**205.949.319**	**-**	**533.055**	**7-8-27**	**111.044.344**	**4**
B. Book value of financial assets which conditions are renegotiated, and which otherwise would be counted as overdue or impaired.	**-**	**-**	**-**	**-**	**-**	**-**	
C. Net book value of assets, overdue but not impaired	**-**	**23.143.603**	**-**	**-**	**-**	**-**	
- Secured by guarantee and etc.	-	23.143.603	-	-		-	
D. Net book value of assets decrease in value	**-**	**-**	**-**	**-**		**-**	
- Overdue (gross book value)	-	*(333.324)*	-	-	7	-	
- Impairment (-)	-	*333.324*	-	-	7	-	
- The part of net value secured by guarantee etc.	-	-	-	-		-	
- Undue (gross book value)	-	-	-	-		-	
- Impairment (-)	-	-	-	-		-	
- The part of net value secured by guarantee etc.	-	-	-	-		-	
E. Elements containing credit risk off the balance sheet	**-**	**-**	**-**	**-**		**-**	

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

(g) Credit risk management (Continued)

The ageing of receivables that were past due but not impaired is as follows:

	Receivables				
30 June 2015	**Trade receivables**	**Other receivables**	**Deposits in banks**	**Derivative instruments**	**Other**
Within 1 month	10.052.230	-	-	-	-
Within 1-3 months	1.116.915	-	-	-	-
Within 3-12 months	-	-	-	-	-
Within 1-5 years	-	-	-	-	-
Over 5 years	-	-	-	-	-
Secured by guarantee and etc.	**11.169.145**	**-**	**-**	**-**	**-**

	Receivables				
31 December 2014	**Trade receivables**	**Other receivables**	**Deposits in banks**	**Derivative instruments**	**Other**
Within 1 month	20.829.243	-	-	-	-
Within 1-3 months	2.314.360	-	-	-	-
Within 3-12 months	-	-	-	-	-
Within 1-5 years	-	-	-	-	-
Over 5 years	-	-	-	-	-
Secured by guarantee and etc.	**23.143.603**	**-**	**-**	**-**	**-**

For impairment of receivables, the aging report and the management's evaluation on the collectability of receivable account balances has been taken into account.

(h) Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves, and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity Risk Tables

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and having the availability and flexibility of funding through an adequate amount of (committed) credit facilities.

The risk of meeting existing and probable future liabilities is managed only by means of having access to sufficient number of trustable creditors.

The table below indicates derivative and non-derivative financial liabilities of the Group in terms of TRY and maturity term.

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

30 June 2015
Non-derivative financial instruments

Due to contractual dates:	Carrying value	Total contractual cash outflow	Up to 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years
Bank borrowing	120.996.134	124.392.042	35.944.984	36.611.815	51.835.243	-
Corporate bonds issued	-	-	-	-	-	-
Financial Lease	-	-	-	-	-	-
Trade Payables	250.453.125	251.301.536	153.448.403	97.853.133		-
Other Liabilities	10.080.021	10.080.021	10.080.021	-	-	-
Non-derivative financial liabilities	**381.529.280**	**385.773.599**	**199.473.408**	**134.464.948**	**51.835.243**	**-**

Derivative financial liabilites

As of 30 June 2015, The Group has not derivative financial liabilities.

31 December 2014

Non-derivative financial instruments

Due to contractual dates:	Carrying value	Total contractual cash outflow	Up to 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years
Bank borrowing	104.011.666	107.833.161	32.009.272	46.574.584	29.249.305	-
Corporate bonds issued	-	-	-	-	-	-
Financial Lease	-	-	-	-	-	-
Trade Payables	216.142.712	216.819.901	121.236.201	95.583.700	-	-
Other Liabilities	10.591.657	10.591.657	10.591.657	-	-	-
Non-derivative financial liabilities	**330.746.035**	**335.244.719**	**163.837.130**	**142.158.284**	**29.249.305**	**-**

Derivative financial liabilities

Contractual maturities:	Carrying value	Total contractual cash outflow	Up to 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years
Derivative cash inflow	7.093.287	7.093.287	2.838.011	4.255.276	-	-
Derivative cash outflow	(7.051.750)	(7.025.719)	(2.811.538)	(4.214.181)	-	-
Derivative financial liabilities	**41.537**	**67.568**	**26.473**	**41.095**	**-**	**-**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

NOTE 29 - FINANCIAL INSTRUMENTS (Fair value and hedging disclosures)

The Group believes that registered values of financial instruments reflect their fair values.

Objectives of Financial Risk Management

Finding access to financial markets and managing financial risks arisen from operational activities of the Group fall under the responsibility of the Group's finance department. Aforementioned risks include market risk (foreign exchange risk, interest rate risk and price risk). Financial risk covers market risk (exchange rate risk, fair value of interest risk and price risk), credit risk, liquidity risk and cash flow risk.

Determination of the fair value of financial assets and liabilities are explained below;

Level 1: Valuation of the financial assets and liabilities over the stock exchange prices of similar assets and liabilities resulting from the transactions in active markets.

Level 2: Valuation of the financial assets and liabilities over the price calculated on the basis of the data that is directly or indirectly observable in the market other than the stock exchange price of the relevant asset or liability determined on the first level.

Level 3: Valuation of the financial assets and liabilities carried out in the absence of observable data in the market for determining the fair value of the reelvant asset or liability.

Derivative financial instruments

In order to hedge these risks, the Group enters into forward foreign currency transaction agreements as a financial instrument where necessary.

The Group does not have any forward foreign exchange transaction agreements among the derivative financial instruments for the period that ended on 30 June 201.

31 December 2014	Level 1	Level 2	Level 3	Total
Asset	-	7.093.287	-	**7.093.287**
Liability	-	(7.025.719)	-	**(7.025.719)**
Net	-	**67.568**	-	**67.568**

For the period that ended on 31 December 2014, the Group has a Forward Foreign Exchange Purchase Agreement amounting to 366,636,000JPY (the equivalent of 2,500,000EUR). As per these agreements, an income accrual amounting to 67,568TRY is reflected in the consolidated financial statements.

NOTE 30 - SUBSEQUENT EVENTS

None.

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