

**VESTEL BEYAZ EŞYA SANANAYİ VE TİCARET A.Ş.**  
**BALANCE SHEET**  
**AS OF 30 JUNE 2006 AND 31 DECEMBER 2005**

(All amounts in New Turkish Lira unless stated otherwise)

<b>ASSETS</b>	<b>Note</b>	<b>30.06.2006</b>	<b>31.12.2005</b>
<b>Current Assets</b>		<b>517.479.375</b>	<b>265.615.646</b>
Cash and Cash Equivalents	4	48.325.712	8.376.929
Marketable Securities (net)	5	--	--
Trade Receivables (net)	7	288.824	34.500
Financial Lease Receivables (net)	8	--	--
Due from Related Parties	9	285.514.838	143.720.214
Other Receivables (net)	10	16.014.795	7.424.141
Biological Products (net)	11	--	--
Inventory (net)	12	157.135.565	101.630.639
Construction Contracts Work in Progress	13	--	--
Deferred Tax Asset	14	6.866.918	3.389.089
Other Current Assets	15	3.332.723	1.040.134
<b>Non - Current Assets</b>		<b>312.589.916</b>	<b>311.653.484</b>
Trade Receivables (net)	7	--	--
Financial Lease Receivables (net)	8	--	--
Due from Related Parties	9	--	--
Other Receivables (net)	10	--	--
Investments (net)	16	--	--
Positive/Negative Goodwill (net)	17	--	--
Investment Property (net)	18	--	--
Property, Plant And Equipment, Net	19	309.297.311	307.730.620
Intangible Assets, Net	20	1.896.625	2.384.538
Deferred Tax Asset	14	1.395.980	1.538.326
Other Non-Current Assets	15	--	--
<b>TOTAL ASSETS</b>		<b>830.069.291</b>	<b>577.269.130</b>

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

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**BALANCE SHEET**  
**AS OF 30 JUNE 2006 AND 31 DECEMBER 2005**

(All amounts in New Turkish Lira unless stated otherwise)

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>Note</b>	<b>30.06.2006</b>	<b>31.12.2005</b>
<b>Current Liabilities</b>		<b>331.882.944</b>	<b>254.889.659</b>
Borrowings (net)	6	17.350.762	59.335
Current Instalments Of Long Term Loans (net)	6	21.527.674	16.448.098
Financial Lease Liabilities (net)	8	2.925.392	3.793.712
Other Financial Liabilities (net)		--	--
Trade Payables (net)	7	271.321.701	171.064.824
Due to Relates Parties (net)	9	4.786.793	51.914.015
Advances Received	21	89.625	--
Deferred billings (net)	13	--	--
Expense Accruals	23	5.256.722	4.311.120
Deferred Tax Liability	14	908.439	1.041.361
Other Liabilities (net)	10	7.715.836	6.257.194
<b>Non -Current Liabilities</b>		<b>98.620.844</b>	<b>92.673.911</b>
Borrowings (net)	6	82.012.454	74.540.765
Financial Lease Liabilities (net)	8	2.317.364	2.836.377
Other Financial Liabilities (net)		--	--
Trade Payables (net)	7	--	--
Due to Relates Parties (net)	9	--	--
Advances Received	21	--	--
Expense Accruals	23	2.336.095	2.291.625
Deferred Tax Liability	14	11.954.931	13.005.144
Other Liabilities (net)	10	--	--
<b>SHAREHOLDERS' EQUITY</b>		<b>399.565.503</b>	<b>229.705.560</b>
<b>Share capital</b>	25	<b>190.000.000</b>	<b>138.000.000</b>
<b>Investment and Capital net-off</b>		<b>--</b>	<b>--</b>
<b>Capital Reserves</b>		<b>118.800.673</b>	<b>9.769.852</b>
Premium in access of par	25	109.030.821	--
Profit on cancelled shares		--	--
Revaluation reserve of tangible fixed assets		--	--
Revaluation reserve of equity participations		--	--
Equity Inflation Adjustment Differences	26	9.769.852	9.769.852
<b>Profit Reserves</b>		<b>51.684.397</b>	<b>4.815.626</b>
Legal Reserves	27	5.857.288	3.513.849
Special Reserves		--	--
Extraordinary Reserves		45.827.109	1.301.777
Special Funds		--	--
Profit From Sale of Investment and Property to be added to Share Capital		--	--
Foreign Currency Translation Differences		--	--
<b>Net Profit for the period</b>		<b>8.829.122</b>	<b>50.485.503</b>
<b>Retained Loss</b>	28	<b>30.251.311</b>	<b>26.634.579</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>830.069.291</b>	<b>577.269.130</b>

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

**VESTEL BEYAZ EŞYA SANAYİ VE TİCARET A.Ş.**  
**INCOME STATEMENT**  
**FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2006**

(All amounts in New Turkish Lira unless stated otherwise)

	Note	01.01- 30.06.2006	01.01- 30.06.2005
<b>BASIC OPERATING INCOME</b>			
Sales (net)	36	489.955.387	406.214.992
Cost of Sales (-)		(389.608.526)	(363.928.594)
<b>GROSS PROFIT</b>		<b>100.346.861</b>	<b>42.286.398</b>
Operating expenses (-)	37	(19.965.288)	(12.732.174)
<b>BASIC OPERATING PROFIT (NET)</b>		<b>80.381.573</b>	<b>29.554.224</b>
Other Income	38	32.410.683	35.059.353
Other Expenses (-)	38	(34.797.193)	(12.203.672)
Financing Expenses (-)	39	(72.089.049)	(8.156.720)
<b>OPERATING PROFIT</b>		<b>5.906.014</b>	<b>44.253.185</b>
Net Monetary Gain	40	--	--
<b>PROFIT BEFORE TAX</b>		<b>5.906.014</b>	<b>44.253.185</b>
Taxes	41	2.923.108	(4.766.139)
<b>NET INCOME FOR THE PERIOD</b>		<b>8.829.122</b>	<b>39.487.046</b>
<b>EARNINGS PER SHARE (YTL)</b>	42	<b>0,05</b>	<b>0,29</b>

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**VESTEL BEYAZ EŞYA SANAYİ VE TİCARET A.Ş.**  
**CASH FLOW STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2006**  
(All amounts in New Turkish Lira unless stated otherwise)

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>Note</b>	<b>01.01- 30.06.2006</b>
Net income before tax		5.906.014
<b>Adjustment to reconcile net income to net cash provided from operating activities:</b>		
Depreciation and amortization		16.641.017
Provision for retirement pay	23	375.757
Provision for diminution in value of inventories		197.021
Provision for doubtful accounts		--
Increase/decrease in other provisions		148.485
Income Accruals		(698.620)
Profit/Loss on sale of property, plant, equipment		1.285
Interest income	38	(6.510.001)
Interest expense	39	3.358.944
<b>Operating profit before changes in working capital</b>		
Changes in trade receivables		(254.324)
Changes in related parties		(188.921.846)
Changes in inventory		(55.701.947)
Changes in other current assets		(10.184.623)
Changes in trade payables		100.256.877
Changes in other current liabilities		749.874
Retirement pay	23	(331.287)
<b>Net cash provided by operating activities</b>		<b>(134.967.374)</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant, equipment	19	(17.696.180)
Purchases of intangible fixed assets	20	(24.900)
Decrease in available for sale assets	19	--
<b>Net cash used in investing activities</b>		<b>(17.721.080)</b>
<b>Cash flows from financing activities</b>		
Changes in borrowings, net		27.921.090
Changes in funds from related parties		--
Cash Capital Increase		161.030.821
Interest paid	39	(2.824.675)
Interest received	38	6.510.001
<b>Net cash used in financing activities</b>		<b>192.637.237</b>
<b>Changes in cash and cash equivalents</b>		<b>39.948.783</b>
Cash and cash equivalents at beginning of period		8.376.929
Cash and cash equivalents at end of period		48.325.712

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