

**VESTEL BEYAZ EŐYA  
SANAYİ VE TİCARET AŐ**

**SUMMARY FINANCIAL STATEMENTS  
FOR THE PERIOD  
01.01.2016 - 31.12.2016**

(Originally issued in Turkish)

**VESTEL**

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SUMMARY FINANCIAL STATEMENTS FOR THE PERIOD  
01.01.2016 – 31.12.2016

**VESTEL BEYAZ EŞYA SANAYİ VE TİCARET AŞ**  
**CONDENSED INTERIM STATEMENTS OF BALANCE SHEETS**  
**AS OF 31 DECEMBER 2016 AND 31 DECEMBER 2015**

(All amounts in thousand Turkish Lira unless stated otherwise)

<b>ASSETS</b>	<b>Note</b>	<i>Audited</i> <b>31.12.2016</b>	<i>Audited</i> <b>31.12.2015</b>
<b>Current Assets</b>		<b>1,818,711</b>	<b>1,318,015</b>
Cash and cash equivalents	4	12,829	88,687
Trade receivables		1,186,044	824,585
Related parties	6	1,182,807	818,706
Other parties	7	3,237	5,879
Other receivables		336,710	98,237
Related parties	6	258,612	--
Other parties	8	78,098	98,237
Derivative financial instruments		26,404	21,072
Derivative financial instruments held for trading	27	2,922	11,535
Cash flow hedges	27	23,482	9,537
Inventories	9	244,446	261,376
Prepaid expenses	10	11,066	10,306
Current income tax assets	25	--	13,460
Other current assets	17	1,212	292
<b>Non - Current Assets</b>		<b>468,792</b>	<b>403,285</b>
Property, plant and equipment		327,965	314,570
Land and premises	11	6,547	6,547
Land improvements	11	875	885
Buildings	11	40,247	39,854
Machinery and equipment	11	254,966	243,743
Vehicles	11	215	189
Fixtures and fittings	11	15,028	15,352
Leasehold improvements	11	3,144	3,366
Construction in progress	11	6,943	4,634
Intangible assets		97,030	84,963
Other rights	12	22	25
Capitalized development costs	12	89,931	78,555
Other intangible assets	12	7,077	6,383
Prepaid expenses	10	41,741	3,752
Deferred tax asset	25	2,056	--
<b>TOTAL ASSETS</b>		<b>2,287,503</b>	<b>1,721,300</b>

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**VESTEL BEYAZ EŞYA SANAYİ VE TİCARET AŞ**  
**CONDENSED INTERIM STATEMENTS OF BALANCE SHEETS**  
**AS OF 31 DECEMBER 2016 AND 31 DECEMBER 2015**

(All amounts in thousand Turkish Lira unless stated otherwise)

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>Note</b>	<i>Audited</i> <b>31.12.2016</b>	<i>Audited</i> <b>31.12.2015</b>
<b>Current Liabilities</b>		<b>1,002,241</b>	<b>765,121</b>
Short-term financial liabilities	5	26,407	86
Short-term portion of long-term financial liabilities	5	15,691	5,887
Trade payables		840,474	730,650
Related parties	6	23,448	25,198
Other parties	7	817,026	705,452
Liabilities for employee benefits	16	23,763	20,054
Other liabilities		52,999	--
Related parties	6	52,999	--
Derivative financial instruments		27,853	616
Derivative financial instruments held for trading	27	27,853	616
Current income tax liabilities	25	3,185	--
Short-term provisions	14	1,620	1,358
Other current liabilities	17	10,249	6,470
<b>Non-Current Liabilities</b>		<b>365,331</b>	<b>241,906</b>
Long-term financial liabilities	5	206,611	54,516
Other payables		134,261	160,438
Related parties	6	134,261	160,438
Provisions for employee benefits	16	24,459	21,907
Deferred tax liabilities	25	--	5,045
<b>Shareholders' Equity</b>		<b>919,931</b>	<b>714,273</b>
Paid-in capital	18	190,000	190,000
Adjustments to share capital	18	9,734	9,734
Share premium (Discount)	18	109,031	109,031
Other comprehensive income/expense not to be reclassified to profit or loss		(3,313)	(3,686)
Revaluation gain/loss		(3,313)	(3,686)
Other comprehensive income/expense to be reclassified to profit or loss		18,786	7,629
Cash flow hedges		18,786	7,629
Restricted reserves	18	77,019	57,354
Retained earnings	18	193,669	180,316
Net income for the period		325,005	163,895
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,287,503</b>	<b>1,721,300</b>

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SUMMARY FINANCIAL STATEMENTS FOR THE PERIOD  
01.01.2016 – 31.12.2016

**VESTEL BEYAZ EŞYA SANAYİ VE TİCARET AŞ**  
**CONDENSED INTERIM STATEMENTS OF INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2016 AND 31 DECEMBER 2015**

(All amounts in thousand Turkish Lira unless stated otherwise)

	Note	<i>Audited</i> <b>01.01- 31.12.2016</b>	<i>Audited</i> <b>01.01- 31.12.2015</b>
Revenue	19	3,037,017	2,524,068
Cost of sales	19	(2,546,704)	(2,151,671)
<b>Gross Profit</b>		<b>490,313</b>	<b>372,397</b>
General & Administrative expenses	21	(47,395)	(45,925)
Marketing expenses	21	(46,926)	(40,606)
Research & Development expenses	21	(31,351)	(25,666)
Other income from operating activities	22	164,643	155,451
Other expense from operating activities	22	(142,519)	(150,492)
<b>Operating Profit/Loss</b>		<b>386,765</b>	<b>265,159</b>
Financial income	23	109,985	186,021
Financial expense	23	(162,977)	(274,239)
<b>Profit Before Tax</b>		<b>333,773</b>	<b>176,941</b>
Tax benefit/(expense)		(8,768)	(13,046)
Current tax benefit/(expense)	25	(18,751)	(12,059)
Deferred tax benefit/(expense)	25	9,983	(987)
<b>Net Income for the Period</b>		<b>325,005</b>	<b>163,895</b>

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**VESTEL BEYAZ EŞYA SANAYİ VE TİCARET AŞ**  
**CONDENSED INTERIM STATEMENTS OF CASHFLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016 AND 31 DECEMBER 2015**

(All amounts in thousand Turkish Lira unless stated otherwise)

	Note	<i>Audited</i> <b>01.01- 31.12.2016</b>	<i>Audited</i> <b>01.01- 31.12.2015</b>
<b>Net Cash Provided by Operating Activities:</b>		<b>245,564</b>	<b>176,897</b>
Net income for the period		325,005	163,895
<b>Adjustments to reconcile net income</b>		<b>176,770</b>	<b>108,850</b>
Depreciation and amortization	11	91,066	85,237
Impairment on inventories	9	(354)	(449)
Provisions		10,992	8,887
Provisions for employment termination benefits	16	10,730	8,629
Provisions for lawsuits and/or penalties		262	258
Interest income	23	(22,028)	(1,267)
Interest expense	23	22,843	19,507
Unrealized foreign exchange differences		30,838	1,489
Fair value (gain)/loss on derivative financial instruments		35,851	(17,994)
Tax (benefit)/expense		8,768	13,046
(Gain)/loss from sales of tangible assets		(239)	(206)
Other	4	(967)	600
<b>Changes in working capital</b>		<b>(246,393)</b>	<b>(62,528)</b>
(Increase)/decrease in trade receivables		(361,459)	(166,835)
Related parties	6	(364,101)	(172,152)
Other parties	7	2,642	5,317
(Increase)/decrease in other receivables		20,139	(47,680)
Other parties	8	20,139	(47,680)
(Increase)/decrease in inventories	9	17,284	(31,145)
(Increase)/decrease in prepaid expenses	10	(38,749)	4,961
Increase/(decrease) in trade payables		109,824	175,079
Related parties	6	(1,750)	16,440
Other parties	7	111,574	158,639
Increase/(decrease) in employee termination benefits	16	3,709	2,394
Other		2,859	698
(Increase)/decrease in other assets		(920)	(192)
Increase/(decrease) in other liabilities		3,779	890
<b>Cash Flows From (Used in) Operations</b>		<b>255,382</b>	<b>210,217</b>
Employee termination benefits paid	16	(7,712)	(5,200)
Current income tax paid	25	(2,106)	(28,120)
<b>Net Cash From Investing Activities:</b>		<b>(374,901)</b>	<b>(86,358)</b>
Cash provided from sales of tangible assets		2,870	1,025
Acquisition of tangible assets	11	(89,436)	(57,012)
Acquisition of intangible assets	12	(29,723)	(30,371)
Cash advances and loans made to related parties	6	(258,612)	--
<b>Net Cash From Financing Activities:</b>		<b>52,512</b>	<b>(164,963)</b>
Proceeds from bank borrowings		442,600	176,387
Repayment of bank borrowings		(259,591)	(236,688)

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Increase in other payables to related parties	6	--	18,066
Decrease in other payables to related parties	6	207	--
Dividends paid	6	(130,877)	(104,825)
Interest paid		(21,855)	(19,170)
Interest received		22,028	1,267
<b>Net (decrease)/increase in cash and cash equivalents before effect of exchange rate changes</b>		<b>(76,825)</b>	<b>(74,424)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(76,825)</b>	<b>(74,424)</b>
Cash and cash equivalents at the beginning of the period	4	88,665	163,089
<b>Cash and cash equivalents at the end of the period</b>		<b>11,840</b>	<b>88,665</b>