

**EGE PROFİL TİCARET VE SANAYİ  
ANONİM ŞİRKETİ  
and ITS SUBSIDIARY**

**Convenience Translation Into  
English of Interim Condensed  
Consolidated Financial  
Statements for the six months  
period ended 30 June 2014 and  
Independent Auditor's Review  
Report**

EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY  
CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH

Interim Condensed Consolidated Financial Statements  
for the six months period ended 30 June 2014  
and the Independent Auditor's Review Report

TABLE OF CONTENTS

	<u>Page</u>
Condensed consolidated statements of financial position	1 - 3
Condensed consolidated statements of profit or loss and other comprehensive income	4
Condensed consolidated statements of changes in equity	5
Condensed consolidated statements of cash flows	6
Notes to the condensed consolidated financial statements	7 - 47

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
REVIEW REPORT ON SUMMARIZED INTERIM  
CONSOLIDATED FINANCIAL STATEMENTS**

To the Board of Directors of  
**Ege Profil Ticaret ve Sanayi Anonim Şirketi**

*Introduction*

We have reviewed the accompanying condensed consolidated statement of financial position of Ege Profil Ticaret ve Sanayi Anonim Şirketi (the Parent Company) and its Subsidiary as of June 30, 2014 and the related condensed consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended. This subsidiary constitutes 4,19% of the total assets in the condensed consolidated statement of financial position as of 30 June 2014 and 2,21% of the net sales recognized in the condensed consolidated statement of profit or loss and other comprehensive income for the six-month period then ended (Note 2). The Parent Company Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Turkish Accounting Standards ("TAS"). Our responsibility is to express a conclusion on this interim financial information based on our review.

*Scope of Review*

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Turkish Accounting Standards.

İstanbul,  
23 July 2014

**BDO Denet Bağımsız Denetim**  
**Yeminli Mali Müşavirlik A.Ş.**  
Member, BDO International Network

Bülent Üstünel  
Partner in Charge

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Interim Condensed Consolidated Statements of Financial Position as of 30 June 2014  
and 31 December 2013(Amounts expressed in Turkish Lira (TL) unless otherwise  
indicated)

<b>ASSETS</b>	<b>Notes</b>	<b>Reviewed Current Period 30 June 2014</b>	<b>Audited Prior Period 31 December 2013</b>
Current assets		308.792.851	258.984.301
- Cash and cash equivalents	2,4	20.828.412	38.257.104
- Financial assets		-	-
- Trade receivables	2,7	219.157.171	172.542.402
- Trade receivables from related parties	2,7,27	10.177.792	8.881.177
- Trade receivables from non-related parties	2,7	208.979.379	163.661.225
- Other receivables		714.476	158.757
- Other receivables from related parties		-	-
- Other receivables from non-related parties	8	714.476	158.757
- Inventories	2,9	57.400.106	33.168.154
- Prepaid expenses	2,10	3.632.083	7.735.026
- Current tax assets	2,11	1.801.624	1.779.435
- Other current assets	18	3.446.658	3.736.140
<b>SUB TOTAL</b>		<b>306.980.530</b>	<b>257.377.018</b>
- Non-current assets held for sale	2,24	1.812.321	1.607.283
<b>TOTAL CURRENT ASSETS</b>		<b>308.792.851</b>	<b>258.984.301</b>
Non-current assets		109.092.368	99.670.138
- Other receivables		290.581	247.102
- Other receivables from related parties		-	-
- Other receivables from non-related parties	8	290.581	247.102
- Financial assets		-	-
- Tangible assets	2,12	99.279.706	92.597.210
- Intangible assets	2,13	6.059.808	6.123.884
- Goodwill	2,14	655.882	655.882
- Prepaid expenses	10	2.806.391	46.060
- Deferred tax asset	2,26	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>109.092.368</b>	<b>99.670.138</b>
<b>TOTAL ASSETS</b>		<b>417.885.219</b>	<b>358.654.439</b>

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

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Interim Condensed Consolidated Statements of Financial Position as of 30 June 2014  
and 31 December 2013(Amounts expressed in Turkish Lira (TL) unless otherwise  
indicated)

<b>LIABILITIES</b>	<b>Notes</b>	<b>Reviewed Current Period 30 June 2014</b>	<b>Audited Prior Period 31 December 2013</b>
Short term liabilities		216.350.648	125.805.114
- Short term borrowings	2,5	22.646.573	10.887.421
- Short term portion of long term debts	2,5	59.167.941	17.619.857
- Other financial liabilities	2,6	274.606	14.500
- Trade payables		71.825.927	56.470.267
- Due to related parties	2,7,27	1.084.357	1.047.233
- Due to non-related parties	2,7	70.741.570	55.423.034
- Employee benefits	17	1.520.108	1.703.081
- Deferred income	10	53.504.898	34.576.258
- Current tax liability	2,25	1.910.494	52.462
- Short term provisions		2.764.161	2.024.666
- Short term provisions related to employee benefits	17	974.606	636.816
- Other short term provisions	15	1.789.555	1.387.850
- Other short term liabilities	18	2.735.940	2.456.602
<b>SUB TOTAL</b>		<b>216.350.648</b>	<b>125.805.114</b>
- Liabilities related to asset groups classified as held for sale		-	-
<b>TOTAL SHORT TERM LIABILITIES</b>		<b>216.350.648</b>	<b>125.805.114</b>
Long term liabilities		27.105.957	66.549.385
- Long term borrowings	2,5	19.000.000	57.428.500
- Other financial liabilities	2,6	-	-
- Long term provisions		3.454.356	3.255.165
- Long term provisions related to employee benefits	2,17	3.454.356	3.255.165
- Other long term provisions		-	-
- Current period tax liabilities		-	-
- Deferred tax liability	2,25	4.651.601	5.865.720
- Other long term liabilities		-	-
<b>TOTAL LONG TERM LIABILITIES</b>		<b>27.105.957</b>	<b>66.549.385</b>

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

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Interim Condensed Consolidated Statements of Financial Position as of 30 June 2014  
and 31 December 2013(Amounts expressed in Turkish Lira (TL) unless otherwise  
indicated)

LIABILITIES	Notes	Reviewed Current Period 30 June 2014	Audited Prior Period 31 December 2013
<b>EQUITY</b>		<b>174.428.614</b>	<b>166.299.940</b>
Equity attributable to the Parent Company		174.428.614	166.299.940
- Paid-in capital	19	59.566.900	59.566.900
- Capital adjustment differences	19	7.840.703	7.840.703
- Accumulated other comprehensive income/losses not to be reclassified in profit/loss		18.174.953	18.278.945
- Revaluation and remeasurement gains/(losses)		18.680.197	18.829.396
- Other gains/(losses)		(505.244)	(550.451)
- Accumulated other comprehensive income/losses to be reclassified in profit/loss		(12.430)	10.193
- Foreign currency translation differences		(12.430)	10.193
- Hedging gains/(losses)		-	-
- Revaluation and remeasurement gains/(losses)		-	-
- Other gains/(losses)		-	-
- Restricted profit reserves		13.825.129	13.825.129
- Retained earnings / (Accumulated losses)	19	66.927.269	51.084.059
- Net profit/(loss) for the period		8.106.090	15.694.011
<b>TOTAL EQUITY</b>		<b>174.428.614</b>	<b>166.299.940</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>417.885.219</b>	<b>358.654.439</b>

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

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Interim Condensed Consolidated Statements of Profit/Loss and Other Comprehensive Income for the six month periods ended 30 June 2014 and 2013  
(Amounts expressed in Turkish Lira (TL) - unless otherwise indicated)

	Notes	Reviewed Current Period		Reviewed Prior Period	
		1 January 2014 - 30 June 2014	1 April 2014 - 30 June 2014	1 January 2013- 30 June 2013	1 April 2013 - 30 June 2013
Revenue	2,20	182.434.334	105.114.902	154.406.961	87.847.354
Cost of sales (-)	20	(136.888.533)	(75.493.270)	(109.418.615)	(62.076.449)
<b>Gros Profit/Loss</b>		<b>45.545.801</b>	<b>29.621.632</b>	<b>44.988.346</b>	<b>25.770.905</b>
General administration expenses (-)	21	(8.999.690)	(4.110.959)	(8.170.288)	(1.615.378)
Marketing expenses (-)	21	(22.051.834)	(11.429.768)	(19.967.338)	(11.093.849)
Research and development expenses (-)	21	(288.851)	(193.549)	(163.585)	(85.494)
Other operating income	22	6.798.079	1.735.308	3.006.239	1.880.576
Other operating expenses (-)	22	(6.178.131)	(2.003.903)	(7.962.846)	(7.329.418)
<b>Operating Profit / Loss</b>		<b>14.825.374</b>	<b>13.618.761</b>	<b>11.730.528</b>	<b>7.527.342</b>
Income from investing activities		-	-	-	-
Expenses related to investing activities (-)		-	-	-	-
Profit/loss shares in investments valued by equity		-	-	-	-
<b>Operating profit/loss before financial expenses</b>		<b>14.825.374</b>	<b>13.618.761</b>	<b>11.730.528</b>	<b>7.527.342</b>
Financial income	23	907.695	661.136	2.122.652	1.651.136
Financial expenses (-)	23	(5.653.259)	(2.595.949)	(6.770.197)	(4.821.370)
<b>Profit/loss before tax from continuing operations</b>		<b>10.079.810</b>	<b>11.683.948</b>	<b>7.082.983</b>	<b>4.357.108</b>
Tax expense/income from continuing operations		(1.973.720)	(2.399.714)	(3.812.531)	(2.915.020)
Tax expense/income for the period	2,25	(3.199.141)	(1.980.680)	(4.159.302)	(2.683.809)
Deferred tax expense/income	2,25	1.225.421	(419.034)	346.771	(231.211)
<b>Profit/loss for the period from continuing operations</b>		<b>8.106.090</b>	<b>9.284.234</b>	<b>3.270.452</b>	<b>1.442.088</b>
<b>Profit/loss for the period</b>		<b>8.106.090</b>	<b>9.284.234</b>	<b>3.270.452</b>	<b>1.442.088</b>
<b>Other comprehensive income/(expense)</b>					
<i>Income and expense items not to be reclassified in profit or loss</i>		(103.992)	56.647	(279.010)	(136.119)
Change in fixed assets revaluation fund		(186.499)	(93.250)	(201.295)	(120.777)
Actuarial gains and losses from pension plans	17	56.509	164.059	(147.467)	(49.371)
<i>Deferred tax income / expense</i>		25.998	(14.162)	69.752	34.029
<i>Income and expense items to be reclassified in profit or loss</i>		(22.623)	1.761	(38.575)	(38.575)
Change in foreign exchange differences		(22.623)	1.761	(38.575)	(38.575)
<b>Other comprehensive income (After tax)</b>		<b>(126.615)</b>	<b>58.408</b>	<b>(317.585)</b>	<b>(174.694)</b>
<b>Total comprehensive income</b>		<b>7.979.475</b>	<b>9.342.642</b>	<b>2.952.867</b>	<b>1.267.394</b>
Earnings per share in continuing operations	2,26	0,1361		0,0549	

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

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**  
**Interim Condensed Consolidated Statements of Changes in Equity for the six month periods ended 30 June 2014 and 2013**  
**(Amounts expressed in Turkish Lira (TL) - unless otherwise indicated)**

	Note	Paid-in Capital	Equity Adjustment Differences	Fixed Assets Revaluation Fund	Income and expense items not to be reclassified in profit or (loss)	Actuarial (Losses) / Gains	Translation Difference	Restricted Profit Reserves	Retained Earnings	Net Profit /(Loss) for the Period	Total Equity attributable to the Parent Company	Non-controlling Interest	Total Equity
<b>Balance as at 1 January 2013</b>		59.566.900	7.840.703	19.127.795	-	-	-	13.531.183	36.863.887	19.716.258	156.646.726	-	156.646.726
TAS 19 Adjustment (net of deferred tax effect)		-	-	-	(508.012)	-	-	-	178.054	329.958	-	-	-
<b>Adjusted balance as at 1 January 2013</b>		59.566.900	7.840.703	19.127.795	(508.012)	-	-	13.531.183	37.041.941	20.046.216	156.646.726	-	156.646.726
Net profit for the period		-	-	-	-	-	-	-	-	3.270.452	3.270.452	-	3.270.452
Fixed asset revaluation (net of deferred tax effect)		-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income/(expense)		-	-	(161.036)	(117.974)	(38.575)	-	-	-	-	(317.585)	-	(317.585)
Total Comprehensive Income/(Expense)		-	-	(161.036)	(117.974)	(38.575)	-	-	-	3.270.452	2.952.867	-	2.952.867
Reclassification of retained earnings		-	-	-	-	-	-	-	20.046.216	(20.046.216)	-	-	-
Transfer to restricted profit reserves		-	-	-	-	-	-	293.946	(293.946)	-	-	-	-
Dividend payment		-	-	-	-	-	-	-	(5.917.802)	-	(5.917.802)	-	(5.917.802)
Revaluation fund transfer		-	-	-	-	-	-	-	161.036	-	161.036	-	161.036
<b>Adjusted balance as at 30 June 2013</b>		59.566.900	7.840.703	18.966.759	(625.986)	(38.575)	13.825.129	51.037.445	51.037.445	3.270.452	153.842.827	-	153.842.827
<b>Balance as at 1 January 2014</b>		59.566.900	7.840.703	18.829.396	(550.451)	10.193	13.825.129	51.084.059	51.084.059	15.694.011	166.299.940	-	166.299.940
Net profit for the period		-	-	-	-	-	-	-	-	8.106.090	8.106.090	-	8.106.090
Other comprehensive income	25	-	-	(149.199)	45.207	(22.623)	-	-	-	-	(126.615)	-	(126.615)
Total comprehensive income/(expense)		-	-	(149.199)	45.207	(22.623)	-	-	-	8.106.090	7.979.475	-	7.979.475
Reclassification of retained earnings		-	-	-	-	-	-	-	15.694.011	(15.694.011)	-	-	-
Transfer to restricted profit reserves		-	-	-	-	-	-	-	-	-	-	-	-
Dividend payment		-	-	-	-	-	-	-	-	-	-	-	-
Revaluation fund transfer		-	-	-	-	-	-	-	149.199	-	149.199	-	149.199
<b>Adjusted balance as at 30 June 2014</b>		59.566.900	7.840.703	18.680.197	(505.244)	(12.430)	13.825.129	66.927.269	66.927.269	8.106.090	174.428.614	-	174.428.614

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



**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Interim Condensed Consolidated Statements of Cash Flows for the six month periods ended 30 June 2014 and 2013 (Amounts expressed in Turkish Lira (TL) - unless otherwise indicated)

CASH INFLOWS PROVIDED BY OPERATING ACTIVITIES	Notes	1 January - 30 June 2014	1 January - 30 June 2013
(Loss)/ profit before tax provision and monetary gains		10.079.810	7.082.983
Reconciliation between profit(loss) before tax and cash flows from operating activities			
Loss/(gain) on fixed asset sales		2.182	(25.886)
Depreciation and amortisation	12,13	4.389.859	3.786.568
Inventory provision		150.697	216.317
Provision for doubtful receivables		1.220.598	15.806.613
Provision for termination indemnity		284.320	399.162
Provision for leaves		337.790	99.303
Forward (income)/loss accrual, net		274.606	(43.125)
Unrealized foreign exchange difference (gains)/losses, net		2.673.096	(939.416)
Interest income	22,23	(1.798.473)	(1.330.045)
Interest expense	22,23	4.093.708	3.453.058
Income accrual		-	-
Provision for litigation	15	350.254	-
Warranty provision	15	51.451	42.386
<b>Operating (loss)/profit before working capital changes</b>		<b>22.109.898</b>	<b>28.547.918</b>
<b>Working capital changes</b>			
Inventories	9	(24.382.649)	(12.067.075)
Trade receivables (including balances due from related parties)	2,7	(46.699.337)	(22.747.368)
Trade payables (including balances due to related parties)	2,7	15.310.690	4.735.772
Other short term liabilities	17,18	96.365	5.791.236
Other payables	10	18.928.640	2.919.833
Other short term receivables	8	(555.719)	122.315
Other long term receivables	8	(43.479)	(62.417)
Other current assets		4.370.236	(2.149.939)
Other non-current assets		(2.760.331)	(7.404.231)
Non-current assets held for sale		(205.038)	(763.440)
Collection of doubtful receivables		1.120.977	7.116.501
Taxes paid	25	(1.341.109)	(99.282)
Termination indemnities paid		(85.129)	(78.210)
<b>Net cash inflows/(outflows) related to operating activities</b>		<b>(14.135.985)</b>	<b>3.861.613</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of tangible assets	12	(11.182.174)	(4.954.180)
Acquisition of intangible assets	13	(25)	(1.051)
Revenue on sale of tangible assets		171.738	39.698
Interest collected		1.798.472	1.330.045
<b>Net cash outflows provided by/(used in) investing activities</b>		<b>(9.211.989)</b>	<b>(3.585.488)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash inflows/(outflows) related to financial debts, net		5.708.525	(962.860)
Interest paid		176.871	(3.286.094)
Dividend payment		-	(5.917.802)
Other financial liabilities		-	(50.840)
Translation difference		(22.623)	(38.575)
Actuarial gains/losses		56.509	(147.468)
<b>Net cash outflows provided by/(used in) financing activities</b>		<b>5.919.282</b>	<b>(10.403.639)</b>
Decrease in cash and cash equivalents, net		(17.428.692)	(10.127.514)
Beginning of the period	4	38.257.104	33.339.563
<b>End of the period</b>	<b>4</b>	<b>20.828.412</b>	<b>23.212.049</b>

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

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

1. Organization and Principal Activities

Ege Profil Ticaret ve Sanayi Anonim Şirketi (the Parent Company) is a company registered in Izmir. The main operations of the Parent Company are manufacturing and sales of all types of plastic pipes, spare parts, profiles and plastic goods. In the following sections, the Parent Company and its subsidiary will be referred to as "the Parent Company" or "the Company".

The address of the Parent Company is as follows :

Atatürk Organize Sanayi Bölgesi, 10003 Sokak, No:5, Çiğli - İzmir

As of 30 June 2014 and 31 December 2013, the shareholding structure of the Parent Company is as follows:

	30 June 2014	31 December 2013
Name	Share percentage	Share percentage
Deceuninck N.V.	97,54%	97,54%
Public offering	2,46%	2,46%
	100,00%	100,00%

As of 30 June 2014, 2,46% of the Parent Company shares is listed on Borsa Istanbul.

As of 30 June 2014 and 31 December 2013, the number of personnel by category is as follows (Note 19):

	30 June 2014	31 December 2013
White collar	166	167
Blue collar	526	505
	692	672

- Along with its Turkish operations, the Parent Company carries out sales activities through its subsidiary in Chile and its branch office in India.
- The condensed consolidated financial statements were approved by the Board of Directors as of 23 July 2014.
- The General Meeting and relevant regulatory bodies have the power to amend the consolidated financial statements.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY  
CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH**

**Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)**

**2. Presentation of the Financial Statements**

**(i) Basis of Presentation :**

**Preparation of the financial statements**

The Parent Company maintains its books of account and prepares its statutory financial statements in Turkish Lira in accordance with the prevailing commercial and financial legislation. The foreign subsidiaries and agencies maintain their books of account and prepare their statutory financial statements in their local currencies and in accordance with the rules and regulations of the country in which they operate. The accompanying consolidated financial statements are prepared in accordance with the provisions of the "Communiqué Related to the Financial Reporting Principles at the Capital Markets" (Communiqué) Nr. II/14.1 of the Capital Markets Board (CMB) published in the Official Gazette dated 13 June 2013 Nr 28676, taking as basis the Turkish Accounting Standards /Turkish Financial Reporting Standards and the related appendices and interpretations (TAS/TFRS) put into effect by the Public Oversight Accounting and Auditing Standards Authority (POA) as per the Article 5 of the Communiqué.

The Parent Company has prepared its condensed consolidated financial statements in accordance with TAS 34 "Interim Financial Reporting Standards".

The accompanying condensed consolidated financial statements are presented in accordance with the principles the application of which is required by the announcement published in the weekly bulletin dated 7 June 2013 nr 2013/19 of the CMB.

The condensed consolidated financial statements are based on the statutory records of the Parent Company and its Subsidiary and presented in TL in accordance with the TAS/TFRS with certain adjustments and reclassifications to provide a true and fair view of the Company's financial position.

The financial statement items other than land, land improvements, buildings, and forward exchange contracts are based on historical cost.

***Functional currency and reporting currency***

The Parent Company uses Turkish Lira ("TL") as functional currency and reporting currency. The functional currencies used by the Parent Company's branch in India and its subsidiary in Chile are Indian Rupee and Chilean Peso, respectively. The items of the statement of financial position are translated at the foreign exchange rate valid at the reporting date; and the income and expense items are translated at the average rate of exchange for the period. Gains and losses arising from translation operations are stated in the "foreign exchange translation differences" account in the condensed consolidated statement of profit or loss and other comprehensive income. The financial statements as of 30 June 2014 and the prior period financial data used for comparison purposes are all prepared in TL.

The Parent Company's interim condensed consolidated financial statements do not fully cover the disclosures and notes required in the year-end consolidated financial statements. For that reason, the accompanying financial statements need to be considered together with the consolidated financial statements as of 31 December 2013.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

2. Presentation of the Financial Statements (continued)

(ii) Companies included in the consolidation and their consolidation rates:

Parent Company:

- Ege Profil Ticaret ve Sanayi Anonim Şirketi 100%

Subsidiary:

- Deceuninck Importadora Limitada \* 99,9%

\* Included in the accompanying condensed consolidated financial statements by full consolidation method. The non-controlling shares representing 0,7% of the total capital is regarded immaterial, hence non-controlling interest is not calculated.

(iii) Consolidation Principles:

Full Consolidation Method:

- All items of the statement of financial position except for the paid-in capital of the Parent Company and its subsidiary and their equities at the acquisition date are added, and inter-company balances are eliminated.
- The Parent Company's interest in the subsidiary is set off against the Financial Assets account of the Parent Company and the Share Capital account of the subsidiary.
- As of the acquisition date that the entity included in the consolidation becomes a subsidiary and in the subsequent share acquisitions, the acquisition cost of the Parent Company's shares in its subsidiary is set off against the value representing these shares in the equity account of the Subsidiary's statement of financial position drawn up according to fair value.
- Shares other than Parent Company shares and Subsidiary shares are deducted from all equity account group items including the paid in/issued share capital of subsidiaries included in the consolidation and are recognized as "Non-controlling Interests" in the equity account group of the consolidated statement of financial position.
- The purchase and sales among the Parent Company and its Subsidiary and the profit and losses arising from these transactions are eliminated in the condensed consolidated statement of comprehensive income. Profit and losses arising from the purchase or sale of marketable securities, inventories, tangible and intangible assets, long term financial assets and other assets among the consolidated group companies are also eliminated.

(iv) Adjustment of Financial Statements during Hyper-Inflationary Periods:

Turkish Accounting Standard 29 (TAS 29) requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the reporting date and that the corresponding figures for the previous periods be restated in the same terms. As per the resolution of the Capital Markets Board (CMB) dated 17 March 2005 Nr 11/367, the application of inflation adjustment on the financial statements is terminated in 2005. For that reason, the financial statements are prepared in terms of the purchasing power of the Turkish Lira as at 31 December 2004. The additions to non-monetary items subsequent to 1 January 2005 are stated at their nominal values.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

2. Presentation of the Financial Statements (continued)

(v) Adjustments :

The interim condensed consolidated financial statements are prepared in accordance with TAS/TFRS, and the adjustments which are not stated in the statutory books are set out below.

- Depreciation adjustment related to the economical lives of tangible and intangible assets
- Adjustment of discounting the cost value of land, land improvement, and buildings to their market values
- Provision for doubtful receivables
- Warranty provision for sales
- Provision for litigation
- Adjustment of provisions for termination indemnity and leaves
- Adjustment related to purchasing turnover premium income
- Adjustment related to sales turnover premium payments
- Inventory provision
- Rediscount calculation for post dated cheques, note receivable, notes payable, customers, and suppliers
- Deferred tax adjustment

(vi) Comparative Information and Adjustment of Prior Period Financial Statements:

The Parent Company's financial statements are prepared comparatively with the prior period in order to make financial position and performance evaluations. The Parent Company's consolidated statements of financial position as of 30 June 2014 and 31 December 2013 are prepared comparatively. Similarly, the consolidated statements of profit or loss and other comprehensive income, cash flows, and changes in equity for the period 1 January - 30 June 2014 and those for the period 1 January - 30 June 2013 are prepared comparatively.

(vii) Offsetting:

Offsetting financial assets and liabilities can only be made under the conditions where the offsetting transaction is legally allowed and the entity has an intention in this respect or where the acquisition of assets and fulfillment of liabilities are realized simultaneously.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

**Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)**

2. Presentation of the Financial Statements (continued)

(viii) Accounting Policies, Changes and Errors in Accounting Estimates:

The accounting policies applied by the Parent Company are consistent with those applied in the prior year. Significant changes in accounting policies and significant accounting errors determined in the financial statements are treated retrospectively, and the prior year financials are restated. Changes in accounting policies are applied in the period of the change if they are related to the one period only; however, if they are related to the future periods, they are applied both in the period of change and the future period, prospectively.

Pursuant to TAS 19 "Employee Benefits", starting from 1 January 2013, the actuarial gains/losses related to provisions for termination indemnity are included in the other comprehensive income. As the related standard is revised, the change in the accounting policy was applied as required by the standard as of 1 January 2011, and the actuarial gains/losses stated in the prior period statements of income are reclassified under profit or loss and other comprehensive income; and the financial statements and notes are revised accordingly.

The preparation of the financial statements require management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. Those estimates are reviewed periodically, and as adjustments become necessary, they are reported in statements of income in the periods they become known.

Significant estimates used in the preparation of these financial statements and the significant judgments with the most significant effect on amounts recognized in the financial statements are as follows:

- a) Termination indemnity liability is determined by using actuarial assumptions (discount rates, future salary increases and employee turnover rates). As these plans are long term plans, the said assumptions include significant ambiguities. Provisions for employee benefits are elaborated in Note 17.
- b) Provision for doubtful receivables is an estimated amount that management believes to reflect for possible future losses on existing receivables that have collection risk due to current economic conditions. During the impairment test for the receivables, the debtors, other than related parties, are assessed with their prior year performances, their credit risk in the current market, and their individual performances after the balance sheet date up to the issuing date of the financial statements and furthermore, the renegotiation conditions with these debtors are considered. The provisions made for doubtful receivables as of the reporting date are disclosed in Note 7.
- c) The Management has made significant assumptions in parallel with the technical team's experience in determining the useful lives of machinery and equipment.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY  
CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH**

**Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)**

**2. Presentation of the Financial Statements (continued)**

(viii) Accounting Policies, Changes and Errors in Accounting Estimates (continued):

- d) In calculating impairment, the physical status and aging of inventories are reviewed taking into consideration the technical personnel's opinion; and provision is made for items assumed unserviceable. In determining the net realizable value of inventories, inventory price lists and average discount rates of the year are used and assumptions are made in relation to sales expenses to be incurred in the future. As a result of these studies, provision is made for inventories whose net realizable value is less than the cost value as stated in Note 9.
- e) The Company uses discount cash flows and independent valuation studies on land and buildings in making impairment analysis on assets. While making these analyses, the Company makes various assumptions in relation to the Company's future operations and the discount rates to be used. As a result of these studies, it is concluded by the Management that there is no impairment in the Company's non-financial assets.
- f) Deferred tax assets are recognized in the event that it is likely to settle temporary differences and accumulated losses through future taxable profit. In determining the amount of deferred tax assets to be recorded, significant assumptions and valuations need to be made in relation to the taxable profits that are likely to be generated in the future (Note 26).
- g) Management takes into consideration in making provisions for litigation the probability and consequences of losing court cases together with the legal consultants's opinion. The amount of provision deemed necessary by the Management is determined using the data available and making the best possible assumptions thereon. The related disclosures are set out in Note 15.
- h) In the light of legal consultants' opinion, the Management has made the best possible assumptions for the amount of provision that would be necessary for a liability likely to arise upon the tax review made for 2007. The related disclosures are set out in Note 15.

(ix) The new standards, amendments and interpretations:

The accounting policies adopted in preparation of the consolidated financial statements for the period ended 30 June 2014 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of 1 January 2014. The effects of these standards and interpretations on the Parent Company's financial position and performance have been disclosed in the related paragraphs.

**The new standards, amendments and interpretations which are effective as at 1 January 2014 are as follows:**

**TAS 32 Financial Instruments: Presentation - Offsetting Financial Assets and Financial liabilities (Amended)**

The amendments clarify the meaning of "currently has a legally enforceable right to set-off" and also clarify the application of the TAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. These amendments will be applied retrospectively for the annual periods beginning on or after 1 January 2014. These amendments are not anticipated to have a significant impact on the financial position or performance of the Company.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

2. Presentation of the Financial Statements (continued)

(ix) The new standards, amendments and interpretations (continued):

The new standards, amendments and interpretations which are effective as at 1 January 2014 are as follows:

**TAS 36 Impairment of Assets - Recoverable Amount Disclosures for Non-Financial assets (Amendment)**

The POA, as a consequential amendment to TFRS 13 Fair Value Measurement, modified some of the disclosure requirements in TAS 36 Impairment of Assets regarding measurement of the recoverable amount of impaired assets. The amendments require additional disclosures about the measurement of impaired assets (or a group of assets) with a recoverable amount based on fair value less costs of disposal. The amendments are to be applied retrospectively for annual periods beginning on or after 1 January 2014. Earlier application is permitted for periods when the entity has already applied TFRS 13. The Management does not expect the standard to have a significant impact on the Company's financial position or performance.

**TAS 39 Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting (Amendment)**

In June 2013, the POA issued amendments to TAS 39 Financial Instruments: Recognition and Measurement that provides a narrow exception to the requirement for the discontinuation of hedge accounting in circumstances when a hedging instrument is required to be novated to a central counterparty as a result of laws or regulations. The amendments are to be applied retrospectively for annual periods beginning on or after 1 January 2014. The Management does not expect that this amendment will have any impact on the financial position or performance of the Company.

**TFRS 10 Consolidated Financial Statements (Amendment)**

TFRS 10 is amended to provide an exception to the consolidation requirement for entities that meet the definition of an investment entity. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss in accordance with TFRS 9 Financial Instruments. This amendment will have no impact on the financial position or performance of the Company.

**TFRIC Interpretation 21 Levies**

The interpretation clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be recognized before the specified minimum threshold is reached. The interpretation is effective for annual periods beginning on or after 1 January 2014, with early application permitted. Retrospective application of this interpretation is required. This interpretation does not apply for the Company and has no effect on its financial position or performance.



**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY  
CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH**

**Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)**

**2. Presentation of the Financial Statements (continued)**

(ix) The new standards, amendments and interpretations (continued):

**Standards, amendments and interpretations issued but not yet effective whose early adoption is not allowed:**

**IFRS 9 Financial Instruments - Classification and measurement**

As amended in December 2011, the new standard is effective for annual periods beginning as of or subsequent to 1 January 2015. Phase 1 of the new IFRS introduces new requirements for classifying and measuring financial instruments. The amendments made to IFRS 9 will mainly affect the classification and measurement of financial assets and measurement of fair value option (FVO) liabilities and requires that the change in fair value of a FVO financial liability attributable to credit risk is presented under other comprehensive income. Early adoption is permitted. The Management is in the process of assessing the impact of the amendment on the Company's financial position and performance.

**The new standards, amendments and interpretations issued by the International Accounting Standards Board (IASB) which are not yet effective**

**IFRS 9 Financial Instruments - Hedge Accounting and Amendments to IFRS 9, IFRS 7, and IAS 39- IFRS 9 (2013)**

In November 2013, IASB issued the new version of IFRS 9 comprising the new hedge accounting requirements and amendments to IAS 39 and IFRS 7. Entities may make an accounting policy choice to continue to apply the hedge accounting requirements of IAS 39 for all of their hedging relationships. The standard does not have a mandatory effective date, but it is available for application now; a new mandatory effective date will be set when the IASB completes the impairment phase of its project on the accounting for financial instruments. The Management has been evaluating the effects of this standard on the financial position and performance of the Company.

(x) Summary of significant accounting policies and valuation methods:

The significant accounting policies and valuation procedures applied in preparing the summarized consolidated financial statements of the Parent Company and its subsidiary for the six months period ended 30 June 2014 are the same as those explained in detail in the financial statements for the year ended 31 December 2013; and the accompanying summarized consolidated financial statements are prepared accordingly.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

3. Segment Reporting

Segment reporting for the period ended 30 June 2014 is as follows (TL):

	Domestic Market*	Export Market**	Common***	Total
<b>PROFIT OR LOSS STATEMENT</b>				
Revenue	157.620.869	24.813.465	-	182.434.334
Finished goods	138.244.904	20.701.701	-	158.946.605
Trade goods	18.748.061	3.691.834	-	22.439.895
Other	627.904	419.930	-	1.047.834
Cost of sales (-)	(119.379.881)	(17.508.652)	-	(136.888.533)
Finished goods	(102.341.921)	(14.534.356)	-	(116.876.277)
Trade goods	(16.057.175)	(2.559.471)	-	(18.616.646)
Other	(980.785)	(414.825)	-	(1.395.610)
<b>GROSS PROFIT/LOSS</b>	<b>38.240.988</b>	<b>7.304.813</b>		<b>45.545.801</b>
General administration expenses (-)	-	-	(8.999.690)	(8.999.690)
Marketing expenses (-)	(12.989.403)	(5.327.016)	(3.735.415)	(22.051.834)
Research & development expenses(-)	-	-	(288.851)	(288.851)
Other operating income	-	-	6.798.079	6.798.079
Other operating expenses (-)	-	-	(6.178.131)	(6.178.131)
<b>OPERATING PROFIT/LOSS</b>	<b>25.251.585</b>	<b>1.977.797</b>	<b>(12.404.008)</b>	<b>14.825.374</b>
<i>Income from investing activities</i>	-	-	-	-
<i>Expenses related to investing activities (-)</i>	-	-	-	-
<i>Shares in profits and losses of investments accounted for by the equity method</i>	-	-	-	-
<b>OPERATING PROFIT/LOSS BEFORE FINANCIAL EXPENSES</b>	<b>25.251.585</b>	<b>1.977.797</b>	<b>(12.404.008)</b>	<b>14.825.374</b>
Financial income	-	-	907.695	907.695
Financial expenses (-)	-	-	(5.653.259)	(5.653.259)
<b>PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>25.251.585</b>	<b>1.977.797</b>	<b>(17.149.572)</b>	<b>10.079.810</b>
Tax expense/income from continuing operations	-	-	(1.973.720)	(1.973.720)
Tax expense (-)/income for the period	-	-	(3.199.141)	(3.199.141)
Deferred tax expense (-)/income	-	-	1.225.421	1.225.421
<b>PROFIT/LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>25.251.585</b>	<b>1.977.797</b>	<b>(19.123.292)</b>	<b>8.106.090</b>
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>25.251.585</b>	<b>1.977.797</b>	<b>(19.123.292)</b>	<b>8.106.090</b>

(\*) Turkey

(\*\*) EU countries, Middle-East countries, Turkic Republics, African countries, Other Asian countries and other countries

(\*\*\*) Unallocated income/expense

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

3. Segment Reporting (continued)

Segment reporting for the period ended 30 June 2013 is as follows (TL):

	Domestic market*	Export market**	Common***	Total
<b>PROFIT OR LOSS STATEMENT</b>				
Revenue	131.629.618	22.777.343	-	154.406.961
Finished goods	114.512.232	19.743.418	-	134.255.650
Trade goods	15.654.965	2.429.199	-	18.084.164
Other	1.462.421	604.726	-	2.067.147
Cost of sales (-)	(93.052.305)	(16.366.310)	-	(109.418.615)
Finished goods	(78.748.478)	(13.921.727)	-	(92.670.205)
Trade goods	(12.546.585)	(1.895.275)	-	(14.441.860)
Other	(1.757.242)	(549.308)	-	(2.306.550)
<b>GROSS PROFIT/LOSS</b>	<b>38.577.313</b>	<b>6.411.033</b>	<b>-</b>	<b>44.988.346</b>
General administration expenses (-)	-	-	(8.170.288)	(8.170.288)
Marketing expenses (-)	(11.884.733)	(4.774.674)	(3.307.931)	(19.967.338)
Research & development expenses(-)	-	-	(163.585)	(163.585)
Other operating income	-	-	3.006.239	3.006.239
Other operating expenses (-)	-	-	(7.962.846)	(7.962.846)
<b>OPERATING PROFIT/LOSS</b>	<b>26.692.580</b>	<b>1.636.359</b>	<b>(16.598.411)</b>	<b>11.730.528</b>
<i>Income from investing activities</i>	-	-	-	-
<i>Expenses related to investing activities (-)</i>	-	-	-	-
<i>Shares in profits and losses of investments accounted for by the equity method</i>	-	-	-	-
<b>OPERATING PROFIT/LOSS BEFORE FINANCIAL EXPENSES</b>	<b>26.692.580</b>	<b>1.636.359</b>	<b>(16.598.411)</b>	<b>11.730.528</b>
Financial income	-	-	2.122.652	2.122.652
Financial expenses (-)	-	-	(6.770.197)	(6.770.197)
<b>PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>26.692.580</b>	<b>1.636.359</b>	<b>(21.245.956)</b>	<b>7.082.983</b>
Tax expense/income from continuing operations	-	-	(3.812.531)	(3.812.531)
Tax expense (-)/income for the period	-	-	(4.159.302)	(4.159.302)
Deferred tax expense (-)/income	-	-	346.771	346.771
<b>PROFIT/LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>26.692.580</b>	<b>1.636.359</b>	<b>(25.058.487)</b>	<b>3.270.452</b>
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>26.692.580</b>	<b>1.636.359</b>	<b>(25.058.487)</b>	<b>3.270.452</b>

(\*) Turkey

(\*\*) EU countries, Middle-East countries, Turkic Republics, African countries, Other Asian countries and other countries

(\*\*\*) Unallocated income/expense

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

4. Cash and Cash Equivalents

Cash and cash equivalents consist of the following (TL) :

	30 June 2014	31 December 2013
Cash	2.480	4.781
Banks		
- TL demand deposit	1.521.204	260.159
- Foreign currency demand deposit	542.090	598.556
- TL time deposit *	9.435.000	26.966.000
- Foreign currency time deposit **	565.215	7.293.502
Cheques received	8.762.423	3.134.106
	20.828.412	38.257.104

(\*) As of 30 June 2014, the interest rate on TL time deposits is 10,65% (31 December 2013 - 8,60%) and the maturity date is 1 July 2014.

(\*\*) As of 30 June 2014, the interest rates on foreign currency time deposits are 2,5% and 0,10% (31 December 2013 - 1,5% and 0,10%) and the maturity dates are 1 July 2014.

The Company has no blocked cash and cash equivalents as of 30 June 2014 and 31 December 2013.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

5. Financial Liabilities

Short term bank borrowings are as follows (TL):

	30 June 2014			31 December 2013		
	Amount in foreign currency	TL equivalent	Interest rate (%)	Amount in foreign currency	TL equivalent	Interest rate(%)
<b>Short term bank borrowings</b>		<b>22.646.573</b>			<b>10.887.421</b>	
TL loans (without interest)		1.183.573			507.059	
TL loans		20.000.000	(*)11,38		10.000.000	(*) 10,35
USD loans		-			-	
Euro loans		-			-	
Interest accrued on short term loans		1.463.000			380.362	
<b>Current portion of long term bank borrowings</b>		<b>59.167.941</b>			<b>17.619.857</b>	
TL loans		22.333.333	(*)11,00-6,25-8,00		7.666.667	(*) 11,00-6,25
TL loans		8.000.000	(**)10,5		8.000.000	(**)10,50
Euro loans	9.000.000	26.027.100			-	
Interest accrued on current portion of long term loans		2.807.508			1.953.190	
		<b>81.814.514</b>			<b>28.507.278</b>	

(\*) Interest payable at the end of the period; fixed interest rate.

(\*\*) Interest payable every six months; fixed interest rate.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

5. Financial Liabilities (continued)

Long term bank borrowings are as follows (TL):

	30 June 2014			31 December 2013		
	Amount in foreign currency	TL equivalent	Interest rate (%)	Amount in foreign currency	TL equivalent	Interest rate(%)
Euro loans	-	-		9.000.000	26.428.500	(*) 3,65
TL loans		4.000.000	(***) 10,50		8.000.000	(***) 10,50
TL loans		15.000.000	(*) 8,00		15.000.000	(*) 8,00
TL loans					8.000.000	(**) 6,25
		<b>19.000.000</b>			<b>57.428.500</b>	

(\*) Interest payable at the end of the period; fixed interest rate.

(\*\*) Interest payable every three months; fixed interest rate.

(\*\*\*) Interest payable every six months; fixed interest rate.

There is no guarantee given for the borrowings received by the Company as of 30 June 2014 and 31 December 2013.

The repayment schedule of long term bank borrowings as of 30 June 2014 and 31 December 2013 is as follows:

	30 June 2014	31 December 2013
Less than 1 year	59.167.941	17.619.857
1-3 years	19.000.000	57.428.500
Short term portion of long term borrowings (-)	(59.167.941)	(17.619.857)
<b>Total long term financial liabilities</b>	<b>19.000.000</b>	<b>57.428.500</b>

6. Other Financial Liabilities

Other short term financial liabilities are as follows (TL):

	30 June 2014	31 December 2013
Current value of forward exchange contracts (*)	274.606	14.500
	<b>274.606</b>	<b>14.500</b>

(\*) The Company has made forward exchange contracts during the period for hedging risks that may arise upon foreign currency fluctuations.

As of 30 June 2014, the total nominal value of the outstanding forward exchange and option contracts is USD 6.500.000 (31 December 2013 - USD 8.750.000), AUD 1.000.000, and EUR 5.000.000. In relation to these outstanding forward exchange contracts of the Parent Company, a total liability of TL 274.606 carried at current value (31 December 2013 - TL 14.500) is stated under the "other financial liabilities" account in the condensed consolidated financial statements.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

6. Other Financial Liabilities (continued)

Base currency	Nominal value	Maturity	Forward exchange rate
USD	1.250.000	16.07.2014	2,1540
	1.250.000	16.07.2014	2,1555
	1.000.000	07.07.2014	2,1260
	1.500.000	09.07.2014	2,0980
	1.500.000	24.07.2014	2,1435
<b>Total</b>	<b>6.500.000</b>		
AUD	1.000.000	24.07.2014	2,008
<b>Total</b>	<b>1.000.000</b>		
EUR	1.500.000	24.07.2014	2,9120
	2.500.000	23.07.2014	2,9320
	1.000.000	24.07.2014	2,9120
<b>Total</b>	<b>5.000.000</b>		

7. Trade Receivables and Payables

Short term trade receivables consist of the following (TL) :

	30 June 2014	31 December 2013
Trade receivables from related parties	10.177.792	8.881.177
	<b>10.177.792</b>	<b>8.881.177</b>
Trade receivables	22.391.040	18.591.940
Post-dated cheques and notes receivable	189.286.019	147.725.591
Rediscount on trade receivables (-)	(57.964)	(64.657)
Rediscount on notes receivable (-)	(1.302.952)	(1.265.281)
Rediscount on post-dated cheques (-)	(2.167.921)	(2.010.913)
Doubtful receivables	26.827.803	26.550.749
Provision for doubtful receivables (-)	(25.996.646)	(25.866.204)
	<b>208.979.379</b>	<b>163.661.225</b>
	<b>219.157.171</b>	<b>172.542.402</b>

In calculating the discounted cost value for trade receivables, the effective interest rate for TL is 11,75% (31 December 2013 - 11,43%); Libor and Euribor are used for USD and EUR, respectively.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

7. Trade Receivables and Payables (continued)

As of 30 June 2014 and 31 December 2013, changes in provision for doubtful trade receivables are set out in the table below (TL):

	30 June 2014	31 December 2013
Opening balance	25.866.204	16.642.679
Provisions no longer required	(1.090.156)	(965.257)
Current period provision expense	1.220.598	10.188.782
	<b>25.996.646</b>	<b>25.866.204</b>

As of 30 June 2014, the Company has guarantee letters, guarantee notes and mortgages in the amount of TL 39.850.308, TL 6.053.389, and TL 127.796.522 obtained against receivables, respectively, (31 December 2013 - Guarantee letters: TL 36.895.163, Guarantee notes: TL 5.513.203, Mortgages: TL 119.498.959) (Note 15).

Trade payables consist of the following (TL) :

	30 June 2014	31 December 2013
Trade payables to related parties	1.084.357	1.047.233
	<b>1.084.357</b>	<b>1.047.233</b>
Trade payables	49.043.845	38.415.217
Notes payable	22.260.269	17.285.440
Rediscount on trade payables (-)	(380.872)	(93.410)
Rediscount on notes payable (-)	(181.672)	(184.213)
	<b>70.741.570</b>	<b>55.423.034</b>
	<b>71.825.927</b>	<b>56.470.267</b>

In calculating the discounted cost value for trade payables, the effective interest rate for TL is 13,00% (31 December 2013 - 11,43%; Libor and Euribor are used for USD and EUR, respectively).



**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

8. Other Receivables and Payables

Short term other receivables consist of the following (TL) :

	30 June 2014	31 December 2013
Other miscellaneous receivables	257.509	-
Deposits and guarantees given	416.087	154.054
Due from personnel	40.880	4.703
	<b>714.476</b>	<b>158.757</b>

Long term other receivables consist of the following (TL) :

	30 June 2014	31 December 2013
Deposits and guarantees given	290.581	247.102
	<b>290.581</b>	<b>247.102</b>

9. Inventories

Inventories consist of the following (TL) :

	30 June 2014	31 December 2013
Raw materials	14.973.897	6.329.656
Semi-finished goods	3.963.399	3.316.311
Finished goods	25.178.442	15.139.185
Trade goods	14.164.505	9.112.442
Provision for inventory (-)	(880.137)	(729.440)
	<b>57.400.106</b>	<b>33.168.154</b>

Changes in inventory provision as at 30 June 2014 and 31 December 2013 are as follows (TL) :

	30 June 2014	31 December 2013
Opening balance	729.440	678.743
Increase / (decrease) during the period	150.697	50.697
Closing balance	<b>880.137</b>	<b>729.440</b>

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

10. Prepaid Expenses and Deferred Income

Prepaid expenses and deferred income consist of the following (TL):

	30 June 2014	31 December 2013
<b>Short term prepaid expenses:</b>		
- Advances given	2.223.694	7.407.363
- Expenses related to future months	1.408.389	327.663
	<b>3.632.083</b>	<b>7.735.026</b>
<b>Long term prepaid expenses:</b>		
	30 June 2014	31 December 2013
- Advances given	2.805.045	41.473
- Expenses related to future years	1.346	4.587
	<b>2.806.391</b>	<b>46.060</b>
<b>Deferred Income</b>		
	30 June 2014	31 December 2013
- Order advances received	53.504.898	34.576.258
	<b>53.504.898</b>	<b>34.576.258</b>

11. Current Tax Assets

As of 30 June 2014 and 31 December 2013, current tax assets consist of the following (TL):

	30 June 2014	31 December 2013
- Prepaid taxes and funds	1.801.624	1.779.435
	<b>1.801.624</b>	<b>1.779.435</b>

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

12. Tangible Assets

As of 30 June 2014, tangible assets consist of the following (TL):

Cost	Opening January 2014	Additions	Transfers	Disposals	Closing 30 June 2014
Land	18.740.342	-	-	-	18.740.342
Land improvements	1.257.753	4.147	-	-	1.261.900
Buildings	30.938.125	7.456	82.988	-	31.028.569
Machinery and equipment	110.014.143	372.320	6.548.878	(370.256)	116.565.085
Motor vehicles	312.070	101.800	-	-	413.870
Furniture and fixtures	8.546.650	50.455	1.685	-	8.598.790
Investments in progress	8.208.237	10.645.996	(6.633.551)	-	12.220.682
<b>Sub total</b>	<b>178.017.320</b>	<b>11.182.174</b>	<b>-</b>	<b>(370.256)</b>	<b>188.829.238</b>
Accumulated depreciation (-)					
Land	-	-	-	-	-
Land improvements	(468.091)	(44.087)	-	-	(512.178)
Buildings	(7.183.264)	(505.231)	-	-	(7.688.495)
Machinery and equipment	(69.954.837)	(3.567.200)	-	196.336	(73.325.701)
Motor vehicles	(243.292)	(10.486)	-	-	(253.778)
Furniture and fixtures	(7.570.626)	(198.754)	-	-	(7.769.380)
<b>Sub total</b>	<b>(85.420.110)</b>	<b>(4.325.758)</b>	<b>-</b>	<b>196.336</b>	<b>(89.549.532)</b>
<b>Net value</b>	<b>92.597.210</b>	<b>6.856.416</b>	<b>-</b>	<b>(173.920)</b>	<b>99.279.706</b>

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

12. Tangible Assets (continued)

As of 31 December 2013, tangible assets consist of the following (TL):

Cost	Opening				Closing 31 December 2013
	1 January 2013	Additions	Transfers	Disposals	
Land	18.740.342	-	-	-	18.740.342
Land improvements	1.219.327	-	38.426	-	1.257.753
Buildings	28.330.757	-	2.607.368	-	30.938.125
Machinery and equipment	99.812.083	-	10.273.158	(71.098)	110.014.143
Motor vehicles	292.751	-	79.271	(59.952)	312.070
Furniture and fixtures	8.137.804	-	408.846	-	8.546.650
Investments in progress	4.528.293	17.087.013	(13.407.069)	-	8.208.237
<b>Sub total</b>	<b>161.061.357</b>	<b>17.087.013</b>	<b>-</b>	<b>(131.050)</b>	<b>178.017.320</b>
Accumulated depreciation (-)					
Land	-	-	-	-	-
Land improvements	(379.700)	(88.391)	-	-	(468.091)
Buildings	(6.279.280)	(903.984)	-	-	(7.183.264)
Machinery and equipment	(63.740.767)	(6.252.385)	-	38.315	(69.954.837)
Motor vehicles	(288.258)	(14.986)	-	59.952	(243.292)
Furniture and fixtures	(7.208.539)	(362.087)	-	-	(7.570.626)
<b>Sub total</b>	<b>(77.896.544)</b>	<b>(7.621.833)</b>	<b>-</b>	<b>98.267</b>	<b>(85.420.110)</b>
<b>Net value</b>	<b>83.164.813</b>	<b>9.465.180</b>	<b>-</b>	<b>(32.783)</b>	<b>92.597.210</b>

The Parent Company recognized its land, land improvements and buildings at their fair values. The land and buildings owned by the Parent Company were subject to revaluation for the first time in 2002 by Lotus Gayrimenkul Ekspertiz Değerleme Anonim Şirketi and the difference between the fair value and the carrying value was recognized in the financial statements. Subsequently, Lotus Gayrimenkul Ekspertiz Değerleme Anonim Şirketi performed another revaluation study in 2008. As per the report prepared on the second study dated 26 December 2008, the difference observed between the fair value and the carrying value of the assets was considered immaterial; hence the Parent Company did not recognize this difference in the financial statements.

For the purpose of determining any change that might have occurred in the fair values of the Parent Company's land, land improvements, and buildings, the Management delegated to a valuation company licensed by the Capital Markets Board, namely, Denge Gayrimenkul Değerleme ve Danışmanlık A.Ş. a valuation study to be performed. As a result of this study, the difference observed between the fair values and the carrying values of the assets as stated in the valuation report was recognized by the Parent Company in the financial statements. The fair values of land, land improvements and buildings were determined according to their market values. The revaluation of the said tangible assets was made at the market value in use.

In case of disposal of revalued assets, the revaluation funds of these assets are transferred to retained earnings. Furthermore, the difference between the depreciation calculated over the revalued asset and the depreciation calculated over the acquisition value of the asset is transferred from the revaluation fund to the retained earnings account during the course of utilization on annual basis.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

13. Intangible Assets

As of 30 June 2014, intangible assets consist of the following (TL):

Cost ;	Opening			Closing
	1 January 2014	Additions	Disposals	30 June 2014
License	859.735	-	-	859.735
Trademark	3.987.406	-	-	3.987.406
Industrial design	71.645	-	-	71.645
Dealer list	2.274.223	-	-	2.274.223
Rights and other	704.760	26	-	704.786
				-
<b>Sub total</b>	<b>7.897.769</b>	<b>26</b>	<b>-</b>	<b>7.897.795</b>
Accumulated amortization (-)				
Industrial design	(71.645)	-	-	(71.645)
Dealer list	(909.689)	(56.856)	-	(966.545)
Rights and other	(792.551)	(7.246)	-	(799.797)
				-
<b>Sub total</b>	<b>(1.773.885)</b>	<b>(64.102)</b>	<b>-</b>	<b>(1.837.987)</b>
<b>Net Book Value</b>	<b>6.123.884</b>	<b>(64.076)</b>	<b>-</b>	<b>6.059.808</b>

As of 31 December 2013, intangible assets consist of the following (TL):

Cost ;	Opening			Closing
	1 January 2013	Additions	Disposals	31 December 2013
License	859.735	-	-	859.735
Trademark	3.987.406	-	-	3.987.406
Industrial design	71.645	-	-	71.645
Dealer list	2.274.223	-	-	2.274.223
Rights and other	703.642	1.118	-	704.760
				-
<b>Sub total</b>	<b>7.896.651</b>	<b>1.118</b>	<b>-</b>	<b>7.897.769</b>
Accumulated amortization (-)				
Industrial design	(71.645)	-	-	(71.645)
Dealer list	(824.406)	(85.283)	-	(909.689)
Rights and other	(748.946)	(43.605)	-	(792.551)
				-
<b>Sub total</b>	<b>(1.644.997)</b>	<b>(128.888)</b>	<b>-</b>	<b>(1.773.885)</b>
<b>Net Book Value</b>	<b>6.251.654</b>	<b>(127.770)</b>	<b>-</b>	<b>6.123.884</b>

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

14. Goodwill

As of 30 June 2014 and 31 December 2013, goodwill consists of the following (TL) :

Transaction date	30 June 2014	31 December 2013
21 October 2004	655.882	655.882
	655.882	655.882

On 21 October 2004, the operations realized under the trademark "Winsa" were acquired by the Parent Company from Pilsa A.Ş. Pursuant to the IFRS 3 "Business Combinations", the Parent Company has recognized at fair value on the effective date of agreement (1 December 2004) the identifiable assets and liabilities transferred within the scope of the acquisition, and the difference between the acquisition cost and the fair value of the identifiable assets and liabilities less deferred tax effect, was recognized as goodwill in the financial records.

As of 30 June 2014 and 31 December 2013, the positive goodwill amount is TL 655.882.

15. Provisions, Contingent Assets and Liabilities

As of 30 June 2014 and 31 December 2013, short term other provisions consist of the following (TL) :

	30 June 2014	31 December 2013
Warranty provision	699.795	648.344
Provision for litigation	553.500	203.246
Provision for tax penalty (*)	536.260	536.260
	1.789.555	1.387.850

(\*) In accordance with tax inspection reports issued by the Ministry of Finance Revenue Administration within the scope of tax inspection for 2007, tax penalty notifications issued were communicated to the Company within 2011. Accordingly, the Company was imposed with principal tax and tax loss penalty communicated on 2 April 2012 amounting to a total of TL 3.605.914. The Company initiated a tax case at Izmir 4th Tax Court against tax penalty on 30 April 2012. As a result of the first hearing held on 6 December 2012, a portion of TL 2.358.150 out of the tax penalties communicated to the Parent Company was reversed by the court. The date of the next hearing to be held for the balancing amount is not yet communicated to the Parent Company. Considering the current legal position and related evidence, the Management believes that the litigation process will be finalized in favor of the Parent Company. The Parent Company has made a provision of TL 536.260 in the accompanying financial statements as of 30 June 2014 and 31 December 2013 as a matter of prudence.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

15. Provisions, Contingent Assets and Liabilities (continued)

As of 30 June 2014 and 31 December 2013, guarantees, pledges and mortgages given/received by the Parent Company and its Subsidiary consist of the following (TL):

	30 June 2014		31 December 2013	
	TL equivalent	Foreign currency	TL equivalent	Foreign currency
Guarantee letters received				
Euro	14.517.409	5.020.025	14.741.302	5.020.025
USD	2.622.399	1.235.000	2.635.861	1.235.000
TL	22.710.500		19.518.000	
	<u>39.850.308</u>		<u>36.895.163</u>	
Guarantee notes received				
Euro	86.757	30.000	88.095	30.000
USD	1.476.991	695.578	1.484.573	695.578
TL	4.489.641		3.940.535	
	<u>6.053.389</u>		<u>5.513.203</u>	
Mortgages received				
Euro	158.022	54.643	160.459	54.643
TL	127.638.500	127.538.500	119.338.500	119.238.500
	<u>127.796.522</u>		<u>119.498.959</u>	
<b>Total guarantees and mortgages received</b>	<b>173.700.219</b>		<b>161.907.325</b>	
Guarantees given				
Euro	21.817.842	7.544.466	5.237.725	1.783.663
USD	5.964.874	2.809.115	2.371.382	1.111.082
AUD	34.091	17.082	32.261	17.082
TL	17.964.184	17.964.184	22.712.213	22.712.213
	<u>45.780.991</u>		<u>30.353.581</u>	
<b>Total guarantees given</b>	<b>45.780.991</b>		<b>30.353.581</b>	

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

15. Provisions, Contingent Assets and Liabilities (continued)

As of 30 June 2014 and 31 December 2013, guarantee, pledge and mortgage position chart of the Parent Company and its Subsidiary is as follows:

Guarantees, pledges and mortgages given by the Company	30 June 2014	31 December 2013
a. Total amount of guarantees, pledges and mortgages given in the name of legal entity	45.780.991	30.353.581
b. Total amount of guarantees, pledges and mortgages given in favor of the parties included in the full consolidation	-	-
c. Total amount of guarantees, pledges and mortgages given to third parties for their liabilities in the purpose of conducting the ordinary operations	-	-
d. Total amount of other guarantees, pledges and mortgages	-	-
<b>Total</b>	<b>45.780.991</b>	<b>30.353.581</b>

As of 30 June 2014 and 31 December 2013, the Parent Company and its subsidiary have no guarantees, pledges or mortgages received from or given to related parties.

As of 30 June 2014, the other guarantees, pledges and mortgages given by the Parent Company and its subsidiary are equivalent to 0% of their equity (31 December 2013 - 0%).

16. Commitments

a) The export commitments of the Parent Company and its Subsidiary are as follows:

The Parent Company and its subsidiary have export commitments in the amount of USD 1.430.450 in relation to export incentives received on 30 June 2014 (31 December 2013 - EUR 3.600.000).

b) The transactions made by the Parent Company and its Subsidiary in relation to operating leases are as follows:

The operating leases of the Parent Company and its Subsidiary amounting to EUR 2.402.786, USD 3.362.453 and TL 3.293.031 in total (31 December 2013 - EUR 931.935, USD 3.287.683 and TL 3.089.770) consist of cars, forklifts, and warehouse rentals; and their maturities vary between 1-6 years.

17. Employee Benefit Obligations and Provisions

As of 30 June 2014 and 31 December 2013, employee benefit obligations consist of the following (TL):

	30 June 2014	31 December 2013
Taxes and funds payable	279.615	397.143
Social security premiums payable	332.616	323.232
Accrued wages	907.877	982.706
	<b>1.520.108</b>	<b>1.703.081</b>



**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

17. Employee Benefit Obligations and Provisions (continued)

As of 30 June 2014 and 31 December 2013, provisions for employee benefits consist of the following (TL):

**Provision for annual leaves**

	30 June 2014	31 December 2013
Opening balance	636.816	696.160
Current year provision	337.790	(59.344)
<b>Closing balance</b>	<b>974.606</b>	<b>636.816</b>

**Provision for termination indemnity**

	30 June 2014	31 December 2013
Opening balance	3.255.165	2.831.587
Provisions paid during the year	(85.129)	(155.513)
Interest cost	157.875	274.664
Service cost	182.952	251.378
Actuarial gains / (losses)	(56.509)	53.049
<b>Closing balance</b>	<b>3.454.356</b>	<b>3.255.165</b>
	<b>4.428.962</b>	<b>3.891.981</b>

In calculating the current value of future liabilities that may arise due to the retirement or contract termination of an employee, it is assumed that the current salaries and wages or, if higher than the value of the termination indemnity upper limit determined by the Labour Law for 30 June 2014, the termination indemnity upper limit, to remain constant for restatement purposes, and this value is reduced by the actual discount rate of 3,0% (31 December 2013 - 3,49%) calculated based upon the assumption that the expected annual inflation rate will be 6,5% (31 December 2013 - 6%) and the expected discount rate will be 9,7% (31 December 2013 - 9,7%) which represents the proposed average interest rate per annum of the government bonds in order to determine the current net value of the determination indemnity liability at the reporting date.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

18. Other Assets and Liabilities

As of 30 June 2014 and 31 December 2013, other assets and liabilities consist of the following

**Other Current Assets**

	30 June 2014	31 December 2013
- Turnover premium cost accrual	-	1.676.760
- Deductible VAT	3.208.779	1.661.350
- Other advances	237.879	275.580
- Current value of forward exchange contracts	-	122.450
	<b>3.446.658</b>	<b>3.736.140</b>

**Other Short Term Liabilities**

	30 June 2014	31 December 2013
Taxes and funds payable	1.935.154	2.034.347
Expense provisions	800.786	422.255
	<b>2.735.940</b>	<b>2.456.602</b>

19. Equity

(a) Paid-in capital:

As of 30 June 2014 and 31 December 2013, the share capital and shareholding structure of the Company is as follows:

	30 June 2014		31 December 2013	
	TL	Shareholding (%)	TL	Shareholding (%)
Deceuninck	58.100.520	97,54	58.100.520	97,54
Public offering	1.466.380	2,46	1.466.380	2,46
Paid-in capital as stated in the legal books	59.566.900	100,00	59.566.900	100,00
Restatement difference	7.840.703		7.840.703	
	<b>67.407.603</b>		<b>67.407.603</b>	

The upper limit of registered share capital of the Parent Company as of 30 June 2014 and 31 December 2013 is TL 120.000.000. As of 30 June 2014 and 31 December 2013, the historic value of the Company's paid-in capital is TL 59.566.900 consisting of 5.956.690.000 shares of Kr 1 nominal value each.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

19. Equity (continued)

(a) Paid-in capital (continued):

As of 30 June 2014 and 31 December 2013, the movement chart of the number of shares issued for the Company's share capital is as follows:

	30 June 2014		31 December 2013	
	Number of Shares	TL	Number of Shares	TL
January 1	5.956.690.000	59.566.900	5.956.690.000	59.566.900
Bonus issue transferred from retained earnings/prior year profits	-	-	-	-
End of period	5.956.690.000	59.566.900	5.956.690.000	59.566.900

For the purpose of spreading its financial debts to 4-5 years of maturity and increasing its share capital, Deceuninck NV, pursuant to the Share Pledge Agreement entered into on 11 September 2009, has pledged in favor of Fortis Bank NV/SA acting in the capacity of guarantee representative, a total of 16.980.361,712 shares representing approximately 28,5063 % of the Company's total share capital at TL 0,01 nominal value each on 15 September 2009 and a total of 41.120.158,313 shares representing approximately 69,0318% of the Company's total share capital at TL 0,01 nominal value each on 16 September 2009. In total, there is a right of pledge established on approximately 97,5382% of the Company's shares in favor of Fortis Bank NV/SA.

For the purpose of obtaining a refinance loan of Euro 140.000.000, the major shareholder Deceuninck NV acting in the capacity of loan receiver has pledged in favor of Fortis Bank NV/SA acting in the capacity of guarantee representative the entire number of its 58.100.520 shares of TL 0,01 nominal value each representing 97,5382% of the Company's share capital as per the Share Pledge Agreement signed on 16 August 2012 upon amendment dated 16 July 2012 made on the Loan Agreement dated 11 September 2009.

(b) Restricted Profit Reserves :

Restricted profit reserves consist of legal reserves. Legal reserves which are divided as First Legal Reserve and Second Legal Reserve as per the Turkish Commercial Code, are appropriated as below:

- i.* First Legal Reserve: Appropriated out of net profit at the rate of 5% until such reserve is equal to 20% of issued and fully paid capital.
- ii.* Second Legal Reserve: Appropriated out of net profit at the rate of 10% of distributions after providing for First Legal Reserve and an amount equal to 5% of capital as dividends.

Legal reserves which do not exceed one half of share capital may only be used to absorb losses or for purposes of continuity of the business in times of business difficulties and to prevent unemployment or lessen its effects.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

19. Equity (continued)

(c) Retained earnings / (Accumulated losses):

Changes in retained earnings/(accumulated losses) during the period are set out below (TL) :

	30 June 2014	31 December 2013
Retained earnings	51.084.059	36.801.127
TAS 19 Adjustment	-	178.055
Transfer to legal reserves	-	(293.946)
Fixed asset revaluation adjustment (*)	149.199	298.398
Dividend payment	-	(5.917.804)
Prior year profit / (loss)	15.694.011	20.046.215
Retained earnings/(accumulated losses) of the Branch (**)	-	(27.986)
	<b>66.927.269</b>	<b>51.084.059</b>

(\*) The land and buildings owned by the Parent Company were subject to revaluation in 2002, 2008 and 2012. The revaluation of these tangible assets was made at the market value in use. The difference between their carrying values and market values are stated in fixed asset revaluation fund under capital reserves. In case of disposal of revalued assets, the revaluation funds of these assets are transferred to retained earnings. Furthermore, the difference between the depreciation calculated over the revalued asset and the depreciation calculated over the acquisition value of the asset is transferred from the revaluation fund to the retained earnings account during the course of utilization on annual basis.

(\*\*) The Parent Company's branch in India started to operate in August 2012 and its results were recognized in the financial statements as of 30 June 2014.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

20. Sales and Cost of Sales

Sales consist of the following (TL):

	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014	1 January 2013- 30 June 2013	1 April 2013- 30 June 2013
Imports	157.620.868	89.631.109	131.629.618	73.392.294
Exports	24.813.466	15.483.793	22.777.343	14.455.060
	<b>182.434.334</b>	<b>105.114.902</b>	<b>154.406.961</b>	<b>87.847.354</b>

Cost of sales consists of the following (TL) :

	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014	1 January 2013- 30 June 2013	1 April 2013- 30 June 2013
Direct raw material, semi-finished good and material expenses	106.245.564	54.139.760	83.040.592	45.116.502
Direct labor cost	1.567.630	810.398	916.594	495.823
Amortization and depreciation expenses	4.116.479	2.103.815	3.479.712	1.759.511
Other production costs	16.715.713	8.820.290	14.054.068	7.260.164
<b>Total cost of production</b>	<b>128.645.386</b>	<b>65.874.263</b>	<b>101.490.966</b>	<b>54.632.000</b>
<b>Change in semi-finished goods</b>	<b>(647.088)</b>	<b>185.175</b>	<b>(259.054)</b>	<b>(622.641)</b>
Beginning of the period	3.316.311	-	2.166.838	-
End of the period	(3.963.399)	185.175	(2.425.892)	(622.641)
<b>Change in finished goods</b>	<b>(10.039.257)</b>	<b>(1.068.396)</b>	<b>(4.450.193)</b>	<b>2.548.525</b>
Beginning of the period	15.139.185	-	11.289.716	-
End of the period	(25.178.442)	(1.068.396)	(15.739.909)	2.548.525
<b>Change in trade goods</b>	<b>18.929.492</b>	<b>10.502.228</b>	<b>12.636.896</b>	<b>5.518.565</b>
Beginning of the period	9.112.442	-	3.186.758	-
Purchases	23.981.555	11.500.808	15.072.606	7.196.925
End of the period	(14.164.505)	(998.580)	(5.622.468)	(1.678.360)
	<b>136.888.533</b>	<b>75.493.270</b>	<b>109.418.615</b>	<b>62.076.449</b>

21. Research and Development Expenses; Marketing, Sales and Distribution Expenses; General Administration Expenses

Research and development expenses; marketing, sales and distribution expenses; general administration expenses are as follows (TL) :

**Research and Development Expenses:**

	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014	1 January 2013- 30 June 2013	1 April 2013- 30 June 2013
Personnel expenses	224.006	133.434	145.541	73.459
Other	64.845	60.115	18.044	12.035
	<b>288.851</b>	<b>193.549</b>	<b>163.585</b>	<b>85.494</b>

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

21. Research and Development Expenses; Marketing, Sales and Distribution Expenses; General Administration Expenses (continued)

Research and development expenses; marketing, sales and distribution expenses; general administration expenses are as follows (TL) :

**Marketing, sales and distribution expenses :**

	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014	1 January 2013- 30 June 2013	1 April 2013- 30 June 2013
Personnel expenses	7.649.893	3.952.445	5.876.406	3.124.388
Customs and transportation expenses	5.423.463	2.867.309	5.487.857	3.595.248
Advertisement expenses	1.160.066	729.060	2.787.361	1.256.375
Exposition, exhibition and showroom expenses	963.056	273.783	382.299	80.179
Rental fees	2.554.507	1.250.413	1.513.335	868.271
Dealer promotion and meeting expenses	1.762.226	1.029.201	1.554.497	913.902
Sales premiums and commissions	344.831	200.330	154.442	98.491
Depreciation and amortization expenses	101.679	71.425	60.066	28.841
Other	2.092.113	1.055.802	2.151.075	1.128.154
	<b>22.051.834</b>	<b>11.429.768</b>	<b>19.967.338</b>	<b>11.093.849</b>

**General administration expenses:**

	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014	1 January 2013- 30 June 2013	1 April 2013- 30 June 2013
Personnel expenses	3.290.468	1.493.474	3.242.506	1.552.969
Consultancy services	3.145.735	1.570.257	2.280.949	1.228.598
Provision for doubtful receivables, net	99.621	(157.107)	873.737	(1.852.686)
Taxes and similar expenses	297.353	129.475	196.082	98.483
Depreciation and amortization expenses	171.702	86.002	203.487	101.086
Communication expenses	73.832	32.685	66.782	31.860
Insurance expenses	227.799	123.606	193.741	129.847
Termination indemnity and annual leave expenses	435.615	148.138	146.783	(327.033)
Other	1.257.565	684.429	966.221	652.254
	<b>8.999.690</b>	<b>4.110.959</b>	<b>8.170.288</b>	<b>1.615.378</b>

22. Other Operating Income/Expenses

Income and expenses from other operating activities consist of the following (TL):

	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014	1 January 2013- 30 June 2013	1 April 2013- 30 June 2013
Foreign exchange gains	3.344.781	585.989	1.033.369	892.312
Interest income	1.798.472	796.422	1.330.045	751.488
Forward earnings	1.043.290	149.250	239.840	-
Profit from sales of fixed assets	78.142	70.481	14.404	(9.824)
Insurance damage income	124.255	19.371	114.965	82.839
Other	409.139	113.795	273.616	163.761
	<b>6.798.079</b>	<b>1.735.308</b>	<b>3.006.239</b>	<b>1.880.576</b>

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

22. Other Operating Income/Expenses (continued)

Income and expenses from other operating activities consist of the following (continued):

	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014	1 January 2013- 30 June 2013	1 April 2013- 30 June 2013
Foreign exchange gains	2.859.468	611.158	164.222	(170.821)
Waived receivables (*)	30.821	30.821	7.651.180	7.651.180
Interest expense	2.587	1.533	-	(36)
Losses from sales of fixed assets	80.324	33.254	-	(2.567)
Interest cost on termination indemnity	157.875	78.938	126.006	63.003
Forward losses	2.651.735	1.017.226	-	-
Special transaction tax	13.052	7.951	15.624	9.679
Other expenses	382.269	223.022	5.814	(221.020)
	<b>6.178.131</b>	<b>2.003.903</b>	<b>7.962.846</b>	<b>7.329.418</b>

(\*) Receivables that are determined as uncollectible upon legal proceedings started by the Company against customers in default have started to be followed up as waived receivables under operating expenses.

23. Financial Income and Expenses

Financial income and expenses consist of the following (TL):

**Financial Income**

	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014	1 January 2013- 30 June 2013	1 April 2013- 30 June 2013
Foreign exchange gains	639.445	514.086	1.974.692	1.692.176
Interest income	-	-	-	-
Forward earnings	268.250	147.050	147.960	(41.040)
	<b>907.695</b>	<b>661.136</b>	<b>2.122.652</b>	<b>1.651.136</b>

**Financial Expenses**

	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014	1 January 2013- 30 June 2013	1 April 2013- 30 June 2013
Foreign exchange losses	355.288	(421.255)	3.109.983	2.830.566
Interest expense	4.093.708	2.052.440	3.453.058	1.816.734
Forward losses	1.186.543	956.343	207.156	207.156
Other expenses	17.720	8.421	-	(33.086)
	<b>5.653.259</b>	<b>2.595.949</b>	<b>6.770.197</b>	<b>4.821.370</b>

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

24. Satış Amaçlı Sınıflandırılan Duran Varlıklar

As of 30 June 2014 and 31 December 2013, non-current assets held for sale consist of the following (TL):

	30 June 2014	31 December 2013
Opening balance	1.607.283	766.229
Addition	649.426	1.303.011
Disposal	(444.388)	(461.957)
	<b>1.812.321</b>	<b>1.607.283</b>

As of 30 June 2014 and 31 December 2013, non-current assets held for sale comprise land, stores and buildings acquired from customers against receivables whose collection has become doubtful. The Company Management intends to dispose of the mentioned real estate in the shortest time possible.

25. Taxes

a) Corporation Tax ;

For 2014 and 2013, the corporation tax rate in Turkey is 20%. This rate is applicable to the tax base derived upon adding onto the commercial earnings of entities the disallowable expenses, and deducting exemptions and discounts as stated in the tax legislation. The corporation tax rate in India is 43% and the corporation tax rate in Chile is 20%.

Taxes payable as of 30 June 2014 and 31 December 2013 netted with the prepaid taxes are set out below (TL).

	30 June 2014	31 December 2013
Current period corporation tax	3.199.141	3.895.092
Taxes prepaid during the period	(1.288.647)	(3.842.630)
Corporation tax payable	<b>1.910.494</b>	<b>52.462</b>

As of 30 June 2014 and 31 December 2013, the reconciliation between tax expense calculated by applying the legal tax rate on profit before tax and the total tax provision stated in the statement of profit or loss and other comprehensive income is as follows (TL) :

	30 June 2014	31 December 2013
Profit before tax	15.454.140	20.111.948
Tax expense /(income) at the rate of 20%	3.090.828	4.022.390
Effect of disallowable expenses	214.842	1.197.332
Effect of income exempt from corporation tax	(105.697)	(322.258)
Effect of other adjusting items	(1.226.253)	(479.527)
Current period tax (income) / expense	<b>1.973.720</b>	<b>4.417.937</b>



**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

25. Taxes (continued)

b) Deferred tax assets and liabilities ;

Deferred tax assets, liabilities, income and expenses and the temporary differences taken as basis for deferred tax calculations are as follows (TL):

	Deferred tax asset / (liability)		Deferred tax income / (expense)	
	30 June 2014	31 December 2013	30 June 2014	31 December 2013
Provision for doubtful receivables	1.403.488	1.337.744	65.744	277.523
Provision for termination indemnity	747.380	597.984	149.396	158.670
Actuarial loss on termination indemnity	(56.509)	53.049	(109.558)	(73.954)
Provision for unused vacation	194.921	127.363	67.558	(11.869)
Provision for litigation	110.700	40.649	70.051	(21.485)
Rediscount on receivables	(159.028)	(81.518)	(77.510)	(566.952)
Rediscount on payables	(74.458)	(13.739)	(60.719)	112.535
Expense accruals	1.090.273	285.767	804.506	(183.199)
Effect of consolidation elimination	603.209	452.786	150.423	452.786
Depreciation time differences and the effect of valuation of intangible assets in accordance with TFRS 3	(6.707.516)	(6.787.146)	79.630	(736.809)
Effect of fixed asset revaluation	(1.804.061)	(1.878.659)	74.598	80.519
<b>Deferred Tax Asset/(Liability), Net</b>	<b>(4.651.601)</b>	<b>(5.865.720)</b>	<b>1.214.119</b>	<b>(512.235)</b>

Changes in deferred tax liability for the periods ended 30 June 2014 and 31 December 2013 are set out in the table below:

	Deferred tax liabilities	
	30 June 2014	31 December 2013
Balance as of January 1st	5.865.720	5.353.485
Deferred tax (advantages)/expenses reflect to the statement of comprehensive income	(1.225.421)	522.845
Amount accounted for in the other comprehensive expenses account	11.302	(10.610)
<b>Balance</b>	<b>4.651.601</b>	<b>5.865.720</b>

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

26. Earnings /(loss) per Share

Earnings per share is calculated as follows:

	30 June 2014	30 June 2013
Profit/(loss) for the period	8.106.090	3.270.452
Weighted average number of ordinary shares at the beginning of the period *	5.956.690.000	5.956.690.000
Weighted average number of ordinary shares at the end of the period *	5.956.690.000	5.956.690.000
Earnings per share (TL)	0,1361	0,0549

(\*) per share of Kr 1 nominal value.

Calculation of earnings per share is made by dividing the net income/(loss) for the current period by the weighted average number of outstanding shares.

Changes in the number of shares for the periods ended 30 June 2014 and 31 December 2013 are set out in the table below:

Number of shares	30 June 2014	31 December 2013
Beginning of the period/year	5.956.690.000	5.956.690.000
Bonus issues from internal sources during the year	-	-
End of the period/year	5.956.690.000	5.956.690.000

As of the reporting date, there was no transaction in relation to ordinary shares issued or planned to be issued other than those shown above.

Companies in Turkey are allowed to increase their share capitals through making transfers from various internal sources and extend bonus issues to shareholders based on this increase. In calculating earnings per share, the bonus shares are regarded as shares distributed as dividends. For that reason, these shares are deemed to be outstanding throughout the year in calculating the average number of shares.

27. Related Party Disclosures

i. Trade receivables from related parties consist of the following (TL) :

	30 June 2014	31 December 2013
Deceuninck (majority shareholder)	2.312.484	3.344.013
Other Deceuninck affiliates	7.865.308	5.537.164
<b>Total (Note 7)</b>	<b>10.177.792</b>	<b>8.881.177</b>

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

27. Related Party Disclosures (continued)

ii. Trade payables to related parties consist of the following (TL) :

	30 June 2014	31 December 2013
EgePen Plastik San. Ve Tic. A.Ş (Ege Pen) (*)	1.083.780	1.046.656
Other	577	577
<b>Total (Note 7)</b>	<b>1.084.357</b>	<b>1.047.233</b>

(\*) Debt arising from acquisition of a 20.000 m<sup>2</sup> of land owned by Ege Pen Plastik Sanayi ve Ticaret A.Ş. in Menemen Industrial Zone.

iii. Purchases of goods and services made from related parties for the periods ended 30 June 2014 and 2013 consist of the following (TL) :

	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014	1 January 2013- 30 June 2013	1 April 2013 30 June 2013
Deceuninck (majority shareholder)	404.612	156.842	893.728	461.699
Other Deceuninck affiliates	374.785	365.850	772.364	442.110
	<b>779.397</b>	<b>522.692</b>	<b>1.666.092</b>	<b>903.809</b>

iv. Sales made to related parties for the periods ended 30 June 2014 and 2013 consist of the following (TL):

	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014	1 January 2013- 30 June 2013	1 April 2013- 30 June 2013
Deceuninck (majority shareholder)	1.428.451	713.955	1.454.338	332.618
Other Deceuninck affiliates	3.929.005	2.464.666	10.599.074	7.833.337
	<b>5.357.456</b>	<b>3.178.621</b>	<b>12.053.412</b>	<b>8.165.955</b>

v. Fixed asset purchases made from related parties for the periods ended 30 June 2014 and 2013 consist of the following (TL) :

	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014	1 January 2013- 30 June 2013	1 April 2013- 30 June 2013
Deceuninck (majority shareholder)	14.085	14.085	135.661	111.718
Other Deceuninck affiliates	-	-	-	-
	<b>14.085</b>	<b>14.085</b>	<b>135.661</b>	<b>111.718</b>

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

27. Related Party Disclosures (continued)

- vi. Other purchases made from related parties for the periods ended 30 June 2014 and 2013 consist of the following (TL):

	1 January 2014- 30 June 2014	1 April 2014- 30 June 2014	1 January 2013- 30 June 2013	1 April 2013- 30 June 2013
Deceuninck (Parent Company) *	2.568.913	1.283.430	2.158.768	1.126.237
Other Deceuninck affiliates	619	58.656	257.127	255.267
Egepen	110.950	36.750	122.396	61.444
	<b>2.680.482</b>	<b>1.378.836</b>	<b>2.538.291</b>	<b>1.442.948</b>

(\*) As of 30 June 2014, TL 2.464.743 of the indicated amount consists of management service fees (30 June 2013 - TL 1.841.869).

Transactions with other Deceuninck affiliates consist of other miscellaneous expenses and the amount related to Ege Pen consists of trademark expenses.

- vii. Salaries and similar benefits provided to top management such as CEO, Board Members, General Manager, General Coordinator, and Assistant General Manager of the Company for the period ended 30 June 2014 amounts to TL 2.964.719 (31 December 2013 - TL 4.005.259).
- viii. The unaudited statutory financial data of the Subsidiary as of 30 June 2014 and 31 December 2013 is as follows (TL):

	Deceuninck Importadora Limitada	
	30 June 2014	31 December 2013
Total assets	17.269.230	12.692.826
Gross sales	5.745.568	3.295.282
Net profit/(loss) for the period	505.945	178.525
Equity	875.676	399.990
Current Assets	15.443.522	12.192.065
Non-current Assets	1.825.708	500.761
Short-term Liabilities	16.393.554	12.292.836
Long-term Liabilities	-	-
Total Comprehensive Income	505.525	178.525

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

28. Nature and Level of Risks Arising from Financial Instruments

i. **Foreign currency risk**

The Company carries foreign exchange risk due to its assets and liabilities denominated in USD and Euro.

The Company is also exposed to foreign exchange risk due to its transactions. Such risks arise from sales and purchases of goods and receiving bank loans denominated in currencies other than the Company's functional currency.

The Company monitors its foreign exchange risk by maintaining balance between its foreign currency assets and liabilities and changing its pricing policy in line with the currency fluctuations, and also through continuous analysis of its foreign currency position. The net foreign currency position of the Parent Company and its Subsidiary as of 30 June 2014 and 31 December 2013 is stated in detail below.

*In total;*

	30 June 2014 (TL Amount)	31 December 2013 (TL Amount)
A. Assets denominated in foreign currency	42.775.865	42.981.665
B. Liabilities denominated in foreign currency	(75.140.032)	(54.570.571)
<b>Net foreign currency position (A+B)</b>	<b>(32.364.167)</b>	<b>(11.588.906)</b>

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

28. Nature and Level of Risks Arising from Financial Instruments (continued)

The foreign currency position of the Parent Company and its Subsidiary as of 30 June 2014 is as follows:

Foreign Currency Position					
Current period					
	TL Equivalent (Functional Currency)	USD	EURO	AUD	GBP
1. Trade receivables	38.544.860	301.029	11.630.504	2.140.301	-
2a. Monetary financial assets (including cash, bank accounts)	564.794	46.021	149.722	17.082	-
2b. Non-monetary financial assets	-	-	-	-	-
3. Other	3.666.211	1.168.940	409.448	-	-
<b>4. Current assets (1+2+3)</b>	<b>42.775.865</b>	<b>1.515.990</b>	<b>12.189.674</b>	<b>2.157.383</b>	<b>-</b>
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
<b>8. Non-current assets (5+6+7)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9. Total assets (4+8)</b>	<b>42.775.865</b>	<b>1.515.990</b>	<b>12.189.674</b>	<b>2.157.383</b>	<b>-</b>
10. Trade payables	(47.877.946)	(3.847.996)	(13.720.687)	-	(7.775)
11. Financial liabilities	(27.262.086)	-	(9.427.050)	-	-
12a. Monetary other liabilities	-	-	-	-	-
12b. Non-monetary other liabilities	-	-	-	-	-
<b>13. Short term liabilities (10+11+12)</b>	<b>(75.140.032)</b>	<b>(3.847.996)</b>	<b>(23.147.737)</b>	<b>-</b>	<b>(7.775)</b>
14. Trade payables	-	-	-	-	-
15. Financial liabilities	-	-	-	-	-
16a. Monetary other liabilities	-	-	-	-	-
16b. Non-monetary other liabilities	-	-	-	-	-
<b>17. Long term liabilities (14+15+16)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>18. Total liabilities (13+17)</b>	<b>(75.140.032)</b>	<b>(3.847.996)</b>	<b>(23.147.737)</b>	<b>-</b>	<b>(7.775)</b>
19. Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	(26.265.900)	(6.500.000)	(5.000.000)	1.000.000	-
19a. Total hedged asset amount	1.995.700	-	-	1.000.000	-
19b. Total hedged liability amount	(28.261.600)	(6.500.000)	(5.000.000)	-	-
<b>20. Net foreign currency asset/(liability) position (9+18+19)</b>	<b>(58.630.067)</b>	<b>(8.832.006)</b>	<b>(15.958.063)</b>	<b>3.157.383</b>	<b>(7.775)</b>
<b>21. Net foreign currency asset/ (liability) position of monetary items (=1+2a+5+6a+10+11+12a+14+15+16a)</b>	<b>(36.030.378)</b>	<b>(3.500.946)</b>	<b>(11.367.511)</b>	<b>2.157.383</b>	<b>(7.775)</b>
22. Total fair value of financial instruments used for foreign currency hedging	(26.265.900)	(6.500.000)	(5.000.000)	1.000.000	-
23. Export(*)	22.972.428	473.744	7.159.104	366.662	-
24. Import(*)	75.144.592	17.410.709	12.646.201	-	-

(\*) Average rate of exchange is used.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

**28. Nature and Level of Risks Arising from Financial Instruments (continued)**

The foreign currency position of the Parent Company and its Subsidiary as of 31 December 2013 is as follows:

		Foreign Currency Position				
		Prior period				
		TL Equivalent (Functional Currency)	USD	EURO	AUD	GBP
1.	Trade receivables	35.205.311	302.051	10.500.939	1.972.168	-
2a.	Monetary financial assets (including cash, bank accounts)	7.293.501	37.926	2.445.188	17.082	-
2b.	Non-monetary financial assets	-	-	-	-	-
3.	Other	482.853	219.300	5.040	-	-
<b>4.</b>	<b>Current assets (1+2+3)</b>	<b>42.981.665</b>	<b>559.277</b>	<b>12.951.167</b>	<b>1.989.250</b>	<b>-</b>
5.	Trade receivables	-	-	-	-	-
6a.	Monetary financial assets	-	-	-	-	-
6b.	Non-monetary financial assets	-	-	-	-	-
7.	Other	-	-	-	-	-
<b>8.</b>	<b>Non-current assets (5+6+7)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9.</b>	<b>Total assets (4+8)</b>	<b>42.981.665</b>	<b>559.277</b>	<b>12.951.167</b>	<b>1.989.250</b>	<b>-</b>
10.	Trade payables	(27.250.196)	(5.628.142)	(5.179.891)	-	(7.775)
11.	Financial liabilities	(769.033)	-	(261.888)	-	-
12a.	Monetary other liabilities	(122.842)	-	(41.833)	-	-
12b.	Non-monetary other liabilities	-	-	-	-	-
<b>13.</b>	<b>Short term liabilities (10+11+12)</b>	<b>(28.142.071)</b>	<b>(5.628.142)</b>	<b>(5.483.612)</b>	<b>-</b>	<b>(7.775)</b>
14.	Trade payables	-	-	-	-	-
15.	Financial liabilities	(26.428.500)	-	(9.000.000)	-	-
16a.	Monetary other liabilities	-	-	-	-	-
16b.	Non-monetary other liabilities	-	-	-	-	-
<b>17.</b>	<b>Long term liabilities (14+15+16)</b>	<b>(26.428.500)</b>	<b>-</b>	<b>(9.000.000)</b>	<b>-</b>	<b>-</b>
<b>18.</b>	<b>Total liabilities (13+17)</b>	<b>(54.570.571)</b>	<b>(5.628.142)</b>	<b>(14.483.612)</b>	<b>-</b>	<b>(7.775)</b>
19.	Net asset/(liability) position of off-balance sheet derivative instruments (19a-19b)	(11.984.350)	(6.500.000)	-	1.000.000	-
19a.	Total hedged asset amount	1.888.600	-	-	1.000.000	-
19b.	Total hedged liability amount	(13.872.950)	(6.500.000)	-	-	-
<b>20.</b>	<b>Net foreign currency asset/(liability) position (9+18+19)</b>	<b>(23.573.256)</b>	<b>(11.568.865)</b>	<b>(1.532.445)</b>	<b>2.989.250</b>	<b>(7.775)</b>
<b>21.</b>	<b>Net foreign currency asset/ (liability) position of monetary items (=1+2a+5+6a+10+11+12a+14+15+16a)</b>	<b>(12.071.759)</b>	<b>(5.288.165)</b>	<b>(1.537.485)</b>	<b>1.989.250</b>	<b>(7.775)</b>
22.	Total fair value of financial instruments used for foreign currency hedging	(11.984.350)	6.500.000	-	1.000.000	-
23.	Export(*)	47.513.394	1.196.625	17.511.467	553.684	-
24.	Import(*)	131.853.306	41.082.990	21.238.393	21.515	22.667

(\*) Average rate of exchange is used.

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

28. Nature and Level of Risks Arising from Financial Instruments (continued)

Due to exchange rate fluctuations, the Parent Company and its subsidiary are exposed to foreign currency risk while translating to Turkish Lira the foreign currency payables and receivables arising from trade operations with foreign entities. Such risks are monitored and controlled by regular analysis of the foreign currency position. The Parent Company and its subsidiary follow a policy of diversifying their foreign currency position in order to manage foreign currency risk that may arise from future trade operations and the related assets and liabilities recognized.

The following table demonstrates the sensitivity to a possible change of 10% in the USD, Euro and AUD exchange rates, with all other variables held constant, on the income before tax of the Parent Company and its Subsidiary as of 30 June 2014 and 31 December 2013.

30 June 2014				
	Profit/Loss		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
When USD changes by 10% against TL:				
1- USD net asset/liability	(495.178)	495.178	-	-
2- Amount hedged from USD risk (-)	1.380.210	(1.380.210)	-	-
3- USD Net Effect (1+2)	885.032	(885.032)	-	-
When Euro changes by 10% against TL:				
4- Euro net asset/liability	(3.168.962)	3.168.962	-	-
5- Amount hedged from Euro risk (-)	1.445.950	(1.445.950)	-	-
6- EURO Net Effect (4+5)	(1.723.012)	1.723.012	-	-
When AUD changes by 10% against TL:				
7- AUD net asset/liability	430.549	(430.549)	-	-
8- Amount hedged from AUD risk (-)	(199.570)	199.570	-	-
9- AUD Net Effect (7+8)	230.979	(230.979)	-	-
When GBP changes by 10% against TL:				
10- GBP net asset/liability	(2.806)	2.806	-	-
11- Amount hedged from GBP risk (-)	-	-	-	-
12- GBP Net Effect (10+11)	(2.806)	2.806	-	-
Total (3+6+9+12)	(609.807)	609.807	-	-



**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY**  
**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**  
**ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

28. Nature and Level of Risks Arising from Financial Instruments (continued)

31 December 2013				
	Profit/Loss		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
When USD changes by 10% against TL:				
1- USD net asset/liability	(1.081.848)	1.081.848	-	-
2- Amount hedged from USD risk (-)	1.387.295	(1.387.295)	-	-
3- USD Net Effect (1+2)	305.447	(305.447)	-	-
When Euro changes by 10% against TL:				
4- Euro net asset/liability	(450.002)	450.002	-	-
5- Amount hedged from Euro risk (-)	-	-	-	-
6- EURO Net Effect (4+5)	(450.002)	450.002	-	-
When AUD changes by 10% against TL:				
7- AUD net asset/liability	375.690	(375.690)	-	-
8- Amount hedged from AUD risk (-)	188.860	(188.860)	-	-
9- AUD Net Effect (7+8)	564.550	(564.550)	-	-
When GBP changes by 10% against TL:				
10- GBP net asset/liability	(2.730)	2.730	-	-
11- Amount hedged from GBP risk (-)	-	-	-	-
12- GBP Net Effect (10+11)	2.730	2.730	-	-
Total (3+6+9+12)	422.725	(422.725)	-	-

ii. **Capital management**

The capital management objectives of the Parent Company are to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In parallel with the other entities in the sector, the Parent Company monitors its debt/equity ratios for capital management purposes. This ratio is calculated as net debt divided by total equity. Net debt is calculated as the total liability (total amount of short and long term liabilities in the statement of financial position) less cash and cash equivalents. Total share capital is the sum of all equity items recognized in the statement of financial position.

	30 June 2014	31 December 2013
Total debt	243.456.606	192.354.499
Cash and cash equivalents (-) (Note 4)	20.828.412	38.257.104
Net debt	222.628.194	154.097.395
Total equity	174.428.613	166.299.940
Debt/equity ratio	128%	93%

**EGE PROFİL TİCARET VE SANAYİ ANONİM ŞİRKETİ AND ITS SUBSIDIARY  
CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH**

Notes to the interim condensed consolidated financial statements for the six months period ended 30 June 2014 (Amounts expressed in Turkish Lira (TL) unless otherwise indicated)

29. Events After the Reporting Date

None.

30. Other Issues Materially Affecting the Financial Statements or Requiring Disclosure for a Proper Interpretation and Understanding of the Financial Statements

None.