

**İzocam Ticaret ve Sanayi
Anonim Şirketi**

Convenience Translation to English of
Condensed Financial Statements
For the Three Months Period Ended
31 March 2019
(Originally issued in Turkish)

This report is 23 pages.
29 April 2019

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İzocam Ticaret ve Sanayi Anonim Şirketi
Condensed Financial Position As At 31 March 2019
All amounts are expressed in Turkish Lira (“TL”)

		Unaudited	Audited
	Notes	31 March 2019	31 December 2018
ASSETS			
Current assets			
Cash and cash equivalents	5	24.473.144	23.344.895
Derivative financial instruments		636.211	--
Trade receivables	7	94.587.896	121.556.980
<i>From related parties</i>	4	766.851	612.490
<i>From non-related parties</i>		93.821.045	120.944.490
Inventories	9	66.800.251	68.591.596
Prepaid expenses		2.181.644	3.757.326
Current tax assets	15	159.688	110.512
Other current assets		11.555.960	9.463.001
Total current assets		200.394.794	226.824.310
Non-current assets			
Other receivables		4.663	6.063
<i>From non-related parties</i>		4.663	6.063
Property and equipment	10	149.368.189	142.195.664
Intangible assets	10	202.629	261.213
<i>Other</i>		202.629	261.213
Prepaid expenses		2.273.930	1.516.414
Other non-current assets		45.248	45.248
Deferred tax assets	15	4.681.059	2.113.410
Total non-current assets		156.575.718	146.138.012
TOTAL ASSETS		356.970.512	372.962.322

İzocam Ticaret ve Sanayi Anonim Şirketi

Condensed Financial Position As At 31 March 2019 (Continued)

All amounts are expressed in TL unless otherwise stated.

		Unaudited	Audited
	Notes	31 March 2019	31 December 2018
LIABILITIES			
Short-term liabilities			
Short-term loans and borrowings	6	77.006.864	52.805.401
Derivative financial instruments		--	1.623.295
Trade payables		51.894.584	84.340.724
<i>To related parties</i>	7	3.285.067	2.242.184
<i>To non-related parties</i>	4	48.609.517	82.098.540
Payables related to employee benefits		4.620.780	4.713.791
Other payables		--	5.292
<i>To non-related parties</i>		--	5.292
Deferred income	8	10.206.615	11.555.329
Short-term provisions		3.666.840	4.152.294
<i>Other</i>		3.666.840	4.152.294
Other short-term liabilities		812.059	653.863
Total short term liabilities		148.207.742	159.849.989
Long-term liabilities			
Long-term borrowings	6	7.203.686	4.104.643
Long term provisions		17.855.735	15.725.166
<i>For employee benefits</i>		17.855.735	15.725.166
Other payables		16.972	16.972
<i>To third parties</i>		16.972	16.972
Total long term liabilities		25.076.393	19.846.781
Total liabilities		173.284.136	179.696.770
Equity			
Paid-in capital	12	24.534.143	24.534.143
Adjustment to share capital	12	25.856.460	25.856.460
Share premiums		1.092	1.092
Items that will never be reclassified to profit or loss		(7.865.172)	(5.850.632)
<i>Actuarial losses from defined pension plans</i>		(7.865.172)	(5.850.632)
Restricted profit reserves		42.711.791	42.711.791
Retained earnings		106.012.698	90.213.645
Net (loss) profit for the period		(7.564.635)	15.799.053
Total equity		183.686.377	193.265.552
TOTAL EQUITY & LIABILITIES		356.970.512	372.962.322

İzocam Ticaret ve Sanayi Anonim Şirketi
Condensed Profit or Loss and Other Comprehensive Income
For The Three Months Period Ended 31 March 2019

All amounts are expressed in TL unless otherwise stated.

		Unaudited	Unaudited
	Notes	1 January- 31 March 2019	1 January- 31 March 2018
PROFIT OR LOSS			
Revenue	13	101.534.366	131.093.161
Cost of sales (-)	13	(92.113.739)	(102.822.709)
Gross profit		9.420.627	28.270.452
General administrative expenses (-)	14	(7.227.621)	(5.330.343)
Marketing, selling and distribution expenses (-)	14	(11.978.444)	(14.268.233)
Impairment (profit) loss on trade and other receivables	7	38.789	(81.789)
Other operating income		6.123.951	3.817.864
Other operating expenses (-)		(876.587)	(2.319.106)
Operating (loss) profit		(4.499.284)	10.088.845
Finance income		327.135	188.084
Finance expenses (-)		(5.456.500)	(3.600.630)
(Loss) profit before tax from continuing operations		(9.628.649)	6.676.299
Tax income (expense) of continuing operations		2.064.014	(1.878.519)
Current tax expense	15	--	(1.707.355)
Deferred tax income (expense)	15	2.064.014	(171.164)
(Loss) profit for the period from continuing operations		(7.564.635)	4.797.780
(Loss) profit for the period		(7.564.635)	4.797.780
Earnings per share			
(Loss) earnings per share from continuing operations	16	(0,003)	0,002
Diluted earnings per share			
Diluted (loss) earnings per share from continuing operations	16	(0,003)	0,002
Other comprehensive income			
Items not to be classified to profit or loss			
Remeasurement of defined benefit plans		(2.518.175)	(941.716)
Deferred tax effect of remeasurement of defined benefit	15	503.635	188.343
Other comprehensive income		(2.014.540)	(753.373)
Total comprehensive (loss) income		(9.579.175)	4.044.407

İzocam Ticaret ve Sanayi Anonim Şirketi
Condensed Changes in Equity
For The Three Months Period Ended 31 March 2019

All amounts are expressed in TL unless otherwise stated.

	Paid-in Capital	Adjustment to Share Capital	Share Premiums	Items Not to Be Reclassified to Profit or Loss	Restricted Profit Reserves	Retained Earnings		Total Equity
				Revaluation and Remeasurement Losses		Retained Earnings	Net profit (loss) for period	
Balance as at 1 January 2018	24.534.143	25.856.460	1.092	(4.816.365)	42.711.837	72.317.994	17.982.724	178.587.885
Adjustment on initial application of TFRS 9	--	--	--	--	--	(87.119)	--	(87.119)
Adjusted balance as at 1 January 2018	24.534.143	25.856.460	1.092	(4.816.365)	42.711.837	72.230.875	17.982.724	178.500.766
Transfers	--	--	--	--	--	17.982.724	(17.982.724)	--
Total comprehensive income	--	--	--	(753.373)	--	--	4.797.780	4.044.407
<i>Other comprehensive income</i>	--	--	--	<i>(753.373)</i>	--	--	--	<i>(753.373)</i>
<i>Net profit for the period</i>	--	--	--	--	--	--	<i>4.797.780</i>	<i>4.797.780</i>
Balance as at 31 March 2018	24.534.143	25.856.460	1.092	(5.569.738)	42.711.837	90.213.599	4.797.780	182.545.173
Balance as at 1 January 2019	24.534.143	25.856.460	1.092	(5.850.632)	42.711.791	90.213.645	15.799.053	193.265.552
Transfers	--	--	--	--	--	15.799.053	(15.799.053)	--
Total comprehensive income	--	--	--	(2.014.540)	--	0	(7.564.635)	(9.579.175)
<i>Other comprehensive income</i>	--	--	--	<i>(2.014.540)</i>	--	--	--	<i>(2.014.540)</i>
<i>Net loss for the period</i>	--	--	--	--	--	0	<i>(7.564.635)</i>	<i>(7.564.635)</i>
Balance as at 31 March 2019	24.534.143	25.856.460	1.092	(7.865.172)	42.711.791	106.012.698	(7.564.635)	183.686.377

İzocam Ticaret ve Sanayi Anonim Şirketi

Condensed Cash Flows

For The Three Months Period Ended 31 March 2019

All amounts are expressed in TL unless otherwise stated.

		Unaudited	
	Note	1 January – 31 March 2019	1 January – 31 March 2018
A. Cash Flows From Operating Activities		(5.227.507)	(38.256.469)
Net (Loss) profit for the period		(7.564.635)	4.797.780
Adjustments for reconciliation of profit for the period		4.027.390	7.135.732
Adjustment for depreciation and amortisation	10	3.850.166	3.152.710
Adjustment for provision for employee termination benefits		480.398	286.311
Adjustment for provision for unused vacation pay liability		508.339	537.965
Adjustment for provision of doubtful receivables, net	7	(38.789)	81.789
Adjustment for provisions		(485.454)	233.745
Adjustment for interest and foreign exchange expense		5.336.618	3.527.304
Adjustment for interest and foreign exchange income		(3.560.530)	(2.765.605)
Adjustments for tax expense	15	--	1.895.698
Adjustment for deferred tax		(2.064.014)	171.164
Loss of sale of property, plant and equipment		656	14.651
Changes in working capital		(264.744)	(48.501.582)
Adjustments for increase in inventory		2.592.327	(11.086.844)
Adjustments for increase in trade and other receivables		30.242.668	(4.443.001)
Adjustments for decrease in trade and other payables		(32.451.432)	(14.389.699)
Adjustments for (decrease)/ increase in deferred revenue		(1.348.714)	(6.333.459)
Adjustments for increase in prepaid expenses		818.166	(4.522.592)
Adjustments for increase in payables related to employee benefits		(93.011)	(2.803.378)
Adjustments for increase in other current and non-current assets			
and liabilities		127.931	(3.012.970)
Adjustment for increase on blockage accounts		(152.679)	(1.781.393)
Taxes paid		(49.176)	(1.612.973)
Employee benefit indemnity paid		(1.376.342)	(203.672)
B. Cash Flows From Investing Activities		(11.765.744)	(2.115.218)
Purchase of property and equipment	10	(11.769.008)	(2.116.574)
Proceeds from sale of property and equipment		3.264	1.356
C. Cash Flows From Financing Activities		17.968.712	44.414.186
Increase in bank borrowings and other financial liabilities, net	6	21.687.500	46.466.314
Interest paid		(4.045.814)	(2.233.283)
Interest received		327.026	181.155
Net increase in cash and cash equivalents (A+B+C)		975.461	4.042.499
D. Cash and Cash Equivalents at the Beginning of the Period	5	2.489.406	4.451.570
Cash and Cash Equivalents at the End of the Period (A+B+C+D)	5	3.464.867	8.494.069

İzocam Ticaret ve Sanayi Anonim Şirketi

Notes to The Condensed Financial Statements

As At and For The Three Months Period Ended 31 March 2019

All amounts are expressed in TL unless otherwise stated.

1 ORGANIZATION AND OPERATIONS OF THE COMPANY

İzocam Ticaret ve Sanayi Anonim Şirketi (“İzocam” or the “Company”) was established in 1965 in order to operate in production, importation and exportation of glasswool, stonewool, mineral wool, glass fiber, expanded and extruded polystyrenes, elastomeric rubber, polyethylene, insulated and non-insulated roof and front panels, partition and mezzanine.

As at 31 March 2018, İzocam Holding Anonim Şirketi’s (“İzocam Holding”) share in the Company is to 95,07 percent through acquisition of 1.501.330.396 shares not listed in Borsa İstanbul Anonim Şirketi (“BİST”) from Koç Group on 29 November 2006 and on 10 July 2007 representing 61,16 percent of paid-in capital of İzocam together with the collection of 831.117.304 shares traded on BİST which represents 33,91 percent of paid-in capital of İzocam. İzocam Holding is a joint venture of Compagnie de Saint Gobain Group and Alghanim Group by with an equal ownership of 50 percent by both parties.

The Company conducts a portion of its operations with related parties of Saint Gobain Group and Alghanim Group companies. The Company has related parties acting as both customers and suppliers (Note 4).

38,84 percent of the shares of the Company are traded on the BIST since 15 April 1981. As at 31 December 2018, the Company's actual outstanding shares ratio at BIST is 4,93 percent (31 December 2018: 4,93 percent).

As at 31 March 2019, total number of employees of the Company is an average basis 464 (31 December 2018: 467) including 200 white collar employees (31 December 2018: 209) and 264 blue collar employees (31 December 2018: 258).

The address of the registered office and headquarters of the Company is as follows:

Altayçeşme Mahallesi Çamlı Sokak
No: 21 Kat: 4, 5
34843 Maltepe/ İstanbul

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of Presentation

2.1.1 Preparation of Financial Statements

The accompanying financial statements are prepared in accordance with Turkish Financial Reporting Standards Accounting Standards (“TFRS”) published by Public Oversight Accounting and Auditing Standards Authority (“POA”) together with the provisions of accordance with to Capital Market Board of Turkey (“CMB”)’s “Principles of Financial Reporting in Capital Market” dated 13 June 2013 and published in the Official Gazette numbered 28676 Series II. No.14.1. TFRS consist of standards and interpretations which are published as Turkish Accounting Standards (“TAS”), Turkish Financial Reporting Standards, TAS interpretations and TFRS interpretations.

The accompanying financial statements are presented in accordance with the TAS Taxonomy issued by POA and announcement regarding with formats of financial statements and notes issued by CMB.

For the three months period ended 31 March 2018, the Company prepared its condensed financial statements in accordance with the Turkish Accounting Standard No.34 “Interim Financial Reporting”. Interim condensed financial statements of the Company do not include all the information and disclosures required in the annual financial statements, therefore should be read in conjunction with the Company’s annual financial statements as of 31 December 2017.

The Company’s statement of financial position as at 31 March 2018 and statement of profit or loss and other comprehensive income for the three months period ended was authorized for issue by the Board of Directors of the Company on 29 April 2019.

İzocam Ticaret ve Sanayi Anonim Şirketi

Notes to The Condensed Financial Statements

As At and For The Three Months Period Ended 31 March 2019

All amounts are expressed in TL unless otherwise stated.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.1 Basis of Presentation (continued)

2.1.1 Preparation of Financial Statements (continued)

Functional and Reporting Currency

These financial statements are presented in Turkish Lira (“TL”), which is the Company’s functional currency. All financial information presented in TL unless otherwise stated.

Adjustment of Financial Statements in Hyperinflationary Periods

As per the 17 March 2005 dated, 11/367 numbered decree of CMB, companies engaged in Turkey and those of which prepare their financial statements in accordance with the CMB Accounting Standards (including IAS/IFRS exercisers), use of inflationary accounting standards have been discontinued effective from 1 January 2005. Accordingly, “Financial Reporting Standards in Hyperinflationary Economies”, (“IAS 29”) was no longer applied henceforward.

2.2 Standards and interpretations issued but not yet effective as at 31 March 2019

Standards issued but not yet effective and not early adopted

A number of new standards, interpretations of and amendments to existing standards are not effective at reporting date and earlier application is permitted; however the Company has not early adopted are as follows.

The revised Conceptual Framework

The revised Conceptual Framework issued on 27 October 2018 by the POA. The Conceptual Framework sets out the fundamental concepts for financial reporting that guide the POA in developing TFRS Standards. It helps to ensure that the Standards are conceptually consistent and that similar transactions are treated the same way, so as to provide useful information for investors, lenders and other creditors. The Conceptual Framework also assists companies in developing accounting policies when no TFRS Standard applies to a particular transaction, and more broadly, helps stakeholders to understand and interpret the Standards. The revised Framework is more comprehensive than the old one – its aim is to provide the POA with the full set of tools for standard setting. It covers all aspects of standard setting from the objective of financial reporting, to presentation and disclosures. For companies that use the Conceptual Framework to develop accounting policies when no TFRS Standard applies to a particular transaction, the revised Conceptual Framework is effective for annual reporting periods beginning on or after 1 January 2020, with earlier application permitted.

The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not yet issued by POA

The following standards, interpretations of and amendments to existing IFRS standards are issued by the IASB but these standards, interpretations and amendments to existing IFRS standards are not yet adapted/issued to TAS by the POA, thus they do not constitute part of TAS. Such standards, interpretations and amendments that are issued by the IASB but not yet issued by the POA are referred to as IFRS or IAS. The Company will make the necessary changes to its financial statements after the new standards and interpretations are issued and become effective under TAS.

Amendments to IAS 1 and IAS 8 - Definition of Material

In October 2018 the IASB issued Definition of Material (Amendments to IAS 1 and IAS 8). The amendments clarify and align the definition of ‘material’ and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS Standards. Those amendments are prospectively effective for annual periods beginning on or after 1 January 2020 with earlier application permitted. The Company does not expect that application of these amendments to IAS 1 and IAS 8 will have significant impact on its financial statements.

İzocam Ticaret ve Sanayi Anonim Şirketi

Notes to The Condensed Financial Statements

As At and For The Three Months Period Ended 31 March 2019

All amounts are expressed in TL unless otherwise stated.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.2 Standards and interpretations issued but not yet effective as at 31 March 2018 (continued)

The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by POA (continued)

Amendments to IFRS 3 - Definition of a Business

Determining whether a transaction results in an asset or a business acquisition has long been a challenging but important area of judgement. The IASB has issued amendments to IFRS 3 Business Combinations that seek to clarify this matter. The amendments include an election to use a concentration test. This is a simplified assessment that results in an asset acquisition if substantially all of the fair value of the gross assets is concentrated in a single identifiable asset or a group of similar identifiable assets. If a preparer chooses not to apply the concentration test, or the test is failed, then the assessment focuses on the existence of a substantive process. The amendment applies to businesses acquired in annual reporting periods beginning on or after 1 January 2020. Earlier application is permitted.

The Company does not expect that application of these amendments to IFRS 3 will have significant impact on its financial statements.

2.3 Changes in significant accounting policies

Except as described below, the accounting policies applied in these condensed financial statements are the same as those applied in the last annual financial statements.

The changes in accounting policies are also expected to be reflected in the Company's consolidated financial statements as at and for the year ending 31 December 2019.

The Company has initially adopted IFRS 16 Leases from 1 January 2019. A number of other new standards are effective from 1 January 2019 but they do not have a material effect on the Company's financial statements.

2.3.1 IFRS 16 Leases

IFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Company, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lessor accounting remains similar to previous accounting policies.

The Company has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019. Accordingly, the comparative information presented for 2018 has not been restated – i.e. it is presented, as previously reported, under IAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below.

a. Definition of a lease

Previously, the Company determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 Determining Whether an Arrangement contains a Lease. The Company now assesses whether a contract is or contains a lease based on the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

On transition to IFRS 16, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

İzocam Ticaret ve Sanayi Anonim Şirketi
Notes to The Condensed Financial Statements
As At and For The Three Months Period Ended 31 March 2019
All amounts are expressed in TL unless otherwise stated.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.3 Changes in significant accounting policies (continued)

2.3.1 IFRS 16 Leases (continued)

a Definition of a lease (continued)

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which it is a lessee, the Company has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

b. As a lessee

The Company leases properties and production equipment. As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the Company recognises right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet. However, the Company has elected not to recognise right-of-use assets and lease liabilities for some leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company has no right-of-use assets that meet the definition of investment property are presented within investment property.

The carrying amounts of right-of-use assets are as below:

	Property, plant and equipment			
<i>TL</i>	Property	Production equipment	Vehicles	Total
Balance at 1 January 2019	3.819.860	1.183.100	6.066.496	11.069.456
Balance at 31 March 2019	3.583.893	943.088	5.751.419	10.278.400

The Company presents lease liabilities in ‘loans and borrowings’ in the statement of financial position.

i. Significant accounting policies

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. When a right-of-use asset meets the definition of investment property, it is presented in investment property. The right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Company’s accounting policies. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company’s incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. The Company has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Company is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

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All amounts are expressed in TL unless otherwise stated.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.3 Changes in significant accounting policies (continued)

2.3.1 IFRS 16 Leases (continued)

b. As a lessee (continued)

ii. Transition

Previously, the Company classified property leases as operating leases under IAS 17. These include warehouse and factory facilities. The leases typically run for a period of 5 years. Some leases include an option to renew the lease for an additional 2 years after the end of the non-cancellable period.

Some leases provide for additional rent payments that are based on changes in local price indices.

At transition, for leases classified as operating leases under IAS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at 1 January 2019. Right-of-use assets are measured at either:

- their carrying amount as if IFRS 16 had been applied since the commencement date, discounted using the lessee's incremental borrowing rate at the date of initial application – the Company applied this approach to its largest property lease; or
- an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments – the Company applied this approach to all other leases.

The Company used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17.

- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The Company leases a number of items of production equipment. These leases were classified as finance leases under IAS 17. For these finance leases, the carrying amount of the right-of-use asset and the lease liability at 1 January 2019 were determined at the carrying amount of the lease asset and lease liability under IAS 17 immediately before that date.

c. As a lessor

The accounting policies applicable to the Company as a lessor are not different from those under IAS 17. However, when the Company is an intermediate lessor the sub-leases are classified with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

The Company is not required to make any adjustments on transition to IFRS 16 for leases in which it acts as a lessor.

The Company sub-leases some of its properties. Under IAS 17, the head lease and sub-lease contracts were classified as operating leases. On transition to IFRS 16, the right-of-use assets recognised from the head leases are presented in property, and measured at fair value on transition to IFRS 16. The sub-lease contracts are classified as operating leases under IFRS 16.

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Notes to The Condensed Financial Statements
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All amounts are expressed in TL unless otherwise stated.

2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

2.3 Changes in significant accounting policies (continued)

2.3.1 IFRS 16 Leases (continued)

d. Impacts on financial statements

i. Impacts on transition

The impact on transition is summarised below.

<i>TL</i>		1 January 2019
Right-of-use assets presented in property, plant and equipment		5.002.960
Lease liabilities		(5.002.960)

When measuring lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its incremental borrowing rate at 1 January 2019. The weighted-average rate applied is 26,25%.

<i>TL</i>		1 January 2019
Operating lease commitment at 31 December 2018 as disclosed in the Company's financial statements		7.333.421
Discounted using the incremental borrowing rate at 1 January 2019		5.002.960
Finance lease liabilities recognised as at 31 December 2018		5.597.544
Lease liabilities recognised at 1 January 2019		10.600.504

ii. Impacts for the period

As a result of initially applying IFRS 16, in relation to the leases that were previously classified as operating leases, the Company recognised TL 5.002.960 of right-of-use assets (including investment property) and TL 5.002.960 of lease liabilities as at 31 March 2019.

Also in relation to those leases under IFRS 16, the Company has recognised depreciation and interest costs, instead of operating lease expense. During the six months ended 31 March 2019, the Company recognised TL 475.979 of depreciation charges and TL 320.865 of interest costs from these leases.

3 SEGMENT REPORTING

Since the Company is only operating in isolation products in Turkey, segment reporting has not been presented.

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4 RELATED PARTIES

Due from related parties

As at 31 March 2019 and 31 December 2018, due from related parties are as follows:

	31 March 2019	31 December 2018
Saint-Gobain Weber Yapı Kimyasalları Sanayi Ticaret Anonim Şirketi (“Saint-Gobain Weber”) (*)	197.117	210.105
Kuwait Insulating Material Mfg Co. (*)	162.139	175.411
Saint-Gobain Adfors CZ S.R.O. (*)	132.389	95.337
Saint-Gobain Isover SA (*)	105.726	110.377
Saint-Gobain Construction Products Alban (*)	133.465	--
Saint-Gobain Rigips Alçı Sanayi ve Ticaret Anonim Şirketi (“Saint-Gobain Rigips”) (*)	36.015	19.925
Saint Gobain İnovatif Malzemeleri ve Aşındırıcı Sanayi ve Ticaret Anonim Şirketi (“Saint Gobain İnovatif”) (*)	--	1.335
	766.851	612.490

(*) Companies controlled by the ventures of İzocam Holding.

Due to related parties

As at 31 March 2019 and 31 December 2018, due to related parties are as follows:

	31 March 2019	31 December 2018
Saint-Gobain Seva AG (*)	1.469.313	630.661
Saint-Gobain Isover SA (*)	1.155.132	788.841
Saint Gobain Recherche (*)	410.548	192.084
Saint-Gobain Adfors CZ Glass Mat S.R.O.(*)	232.660	630.598
Saint-Gobain Rigips (*)	17.414	--
	3.285.067	2.242.184

(*) Companies controlled by the ventures of İzocam Holding

Sales to related parties

For the three months period ended 31 March 2019 and 2018 significant sales transactions to related parties comprised the following:

	1 Ocak 31 March 2019	1 Ocak 31 March 2018
Saint-Gobain Weber (*)	276.116	749.095
Saint Gobain Adfors CZ Glass Mat S.R.O. (*)	167.316	89.789
Kuwait Insulating Material MFG CO. (*)	162.139	90.025
Saint-Gobain Construction Products Albania Shpk (*)	133.464	--
Saint Gobain Rigips (*)	55.185	88.886
	794.220	1.017.795

(*) Companies controlled by the ventures of İzocam Holding.

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4 RELATED PARTIES (CONTINUED)

Purchases from related parties

For the three months period ended 31 March 2019 and 2018 significant purchase transactions to related parties comprised the following:

	1 Ocak- 31 Mart 2019	1 Ocak- 31 Mart 2018
Saint Gobain Seva AG (*)	1.496.499	1.997.668
Saint Gobain İsover SA (*)	792.410	1.403.819
Saint Gobain Adfors CZ Glass Mat S.R.O. (*)	464.503	328.893
Grunzweig Hartman AG (*)	456.164	653.563
Saint-Gobain Rigips (*)	103.103	155.655
Saint-Gobain Weber (*)	42.347	15.682
Saint Gobain Recherche (*)	17.415	--
Saint Gobain Construction Products (*)	--	127.219
Saint Gobain Isover-Iberica S.L.U (*)	--	37.734
	3.372.440	4.720.233

(*) Companies controlled by the ventures of İzocam Holding.

Remunerations to the top management

For the three months period ended 31 March 2019 and 2018 remunerations to the top management comprised the following:

	1 January 31 March 2019	1 January 31 March 2018
Short Term Benefits (Salaries, premiums, housing, company cars, social security, health insurance, vacation pay etc.)	247.767	997.209
Long term benefits (Termination indemnity provisions, long term portion of vacation pay liability, long term premium plans and etc.)	365.847	856.675
Total	613.615	1.853.884

5 CASH AND CASH EQUIVALENTS

As at 31 March 2019 and 31 December 2018 cash and cash equivalents comprised the following:

	31 March 2019	31 December 2018
Banks	3.448.938	2.398.668
-Demand deposits	1.173.673	77.206
-Time deposits	2.275.265	2.321.462
Cash at blockage (*)	21.006.706	20.854.027
Cheques at collection (**)	17.500	92.200
	24.473.144	23.344.895

(*) As at 31 March 2019, cash and cash equivalents consist of cash at blockage amounting to TL 21.006.706 (31 December 2018: TL 20.854.027). TL 3.185.138 portion of cash at blockage consist of Direct Borrowing System ("DBS") (31 December 2018: TL 1.786.264). On 17 March 2010, the Company has started to use Direct Borrowing System ("DBS"), a new method of collection of receivables. In accordance with the arrangements made with various banks, instead of the Company, banks set a credit limit to customers and the collection is performed by the bank. Following the collection, the bank retains the payments received at blockage for one day. As at 31 March 2019 TL 17.821.568 of cash blockage amount mainly comprised of the credit card receivables with a maturity less than 3 months (31 December 2018: TL 19.067.763).

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5 CASH AND CASH EQUIVALENTS(CONTINUED)

(**) Cheques in collection are composed of the cheques which have not been transferred to the Company's bank deposits accounts as at 31 March 2019 with a maturity date less than 1 day or before 31 March 2019. As at 31 March 2019 and 31 December 2018, demand deposits comprised the following currencies;

	Time Deposits		Demand deposit	
	31 March 2019	31 December 2018	31 March 2019	31 Aralık 2018
TL	751.571	2.321.462	117.799	47.482
US Dollars ("USD")	1.523.694	--	664.787	29.724
European Union Currency ("EUR")	--	--	117.799	--
	2.275.265	2.321.462	1.173.673	77.206

For purposes of the statement of cash flows, cash and cash equivalents include bank deposits and short-term investments that are easily convertible to cash with high liquidity and with a maturity of up to three months. Cash and cash equivalents included in the statement of cash flows for the three months period ended 31 March 2019 and 2018 are comprised the followings:

	1 January- 31 March 2019	1 January- 31 March 2018
Cash and cash equivalents	24.473.144	27.885.669
Less: Blockage	(21.006.706)	(19.384.672)
Less: Interest accrual	(1.571)	(6.928)
	3.464.867	8.494.069

6 FINANCIAL LIABILITIES

As at 31 March 2019 and 31 December 2018 bank borrowings comprised the followings:

	2019	2018
Short term unsecured bank borrowings (*)	74.290.804	51.312.500
Short term portion of long term lease liabilities	2.716.060	1.492.901
Short term financial liabilities	75.448.697	52.805.401
Long term lease liabilities	7.203.686	4.104.643
Long term financial liabilities	7.203.686	4.104.643
Total financial liabilities	82.652.383	56.910.044

As at 31 March 2019, all of the outstanding bank borrowings are denominated in TL and the effective interest rate of bank borrowings is 20,80 percent (2018: 25 percent).

For the three months period ended 31 March 2019, cash flows from financial operations comprised the followings:

	1 January 2019	Cash flows	Non-cash changes acquisition	31 March 2019
Financial liabilities	51.312.500	21.687.500	1.290.804	74.290.804
	51.312.500	21.687.500	1.290.804	74.290.804

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6 FINANCIAL LIABILITIES (CONTINUED)

For the three months period ended 31 March 2018, cash flows from financial operations comprised the followings:

	1 January 2018	Cash flows	Non-cash changes acquisition	31 March 2018
Financial liabilities	49.866.593	46.466.314	1.294.021	97.626.928
	49.866.593	46.466.314	1.294.021	97.626.928

7 TRADE RECEIVABLES AND PAYABLE

Trade receivables

As at 31 March 2019 and 31 December 2018 short-term trade receivables comprised the followings:

	31 March 2019	31 December 2018
Accounts receivable	79.002.746	105.420.533
Notes receivable	15.585.150	16.136.447
Doubtful receivables	2.068.952	2.107.741
Less: Allowance for doubtful receivables	(2.068.952)	(2.107.741)
	94.587.896	121.556.980

As at 31 March 2019, TL 766.851 of accounts receivable comprised due from related parties (31 December 2018: TL 612.490) which disclosed in Note 4 in detail.

Average collection period of trade receivables is 72 days (31 December 2018: 91 days) which may change according to the type of the product and the terms of the agreement with the customer.

As at 31 March 2019 and 31 December 2018 maturity profiles of cheques and notes receivables are as follows:

	31 March 2019	31 December 2018
0 -30 days	5.272.667	4.597.053
31 -60 days	5.838.919	4.476.221
61 -90 days	2.827.500	2.803.903
91 days and over	1.646.064	4.259.270
	15.585.150	16.136.447

For the three months period ended, 31 March 2019 and 2018 the movement of allowance for doubtful receivables comprised the followings:

	1 January-31 March 2019	1 January-31 March 2018
Balance as at 1 January	2.107.741	1.816.440
Adjustment on initial application of TFRS 9 (*)	--	111.691
Provision for the year	25.624	92.518
Write offs	(64.413)	(10.729)
Closing balance as at 31 March	2.068.952	2.009.920

(*) The Company has initially applied TFRS 9 at 1 January 2018 under the transition method chosen, comparative information is not restated.

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7 TRADE RECEIVABLES AND PAYABLE (CONTINUED)

Trade Payables

As at 31 March 2019, trade payables amount to TL 51.894.584 (31 December 2018: TL 84.340.724) arising from accounts payable to various suppliers and average payment term is 58 days (31 December 2018: 82 days).

As at 31 March 2019, TL 3.285.067 of trade payables comprised due to related parties (31 December 2018: TL 2.242.184) which disclosed in Note 4 in detail.

8 DEFERRED INCOME

As at 31 March 2019 and 31 December 2018, deferred income comprised the following:

	31 March 2019	31 December 2018
Advances received from customers	10.206.615	11.555.329
	10.206.615	11.555.329

9 INVENTORIES

As at 31 March 2019 and 31 December 2018, inventories comprised the following:

	31 March 2019	31 December 2018
Raw materials and supplies	47.664.792	44.053.389
Finished goods	18.845.633	24.298.137
Trading goods	229.826	240.070
Goods in transit	60.000	--
	66.800.251	68.591.596

Inventories are accounted at cost. As at 31 March 2019 and 31 December 2018, there is no allowance for impairment on inventories since the cost of inventories are lower than their net realizable value.

10 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The amount of property, plant and equipment and intangible assets purchased during the three months period ended 31 March 2019 is TL 6.766.048 (31 March 2018: TL 2.116.574), and right of use asset is amounting to TL 5.002.960 (31 March 2018: None).

The amount of property, plant and equipment and intangible assets sold during the three months period ended 31 March 2019 is TL 3.920 (31 March 2018: TL 16.007).

For the three months period ended 31 March 2019, depreciation and amortisation expenses amounting to TL 2.888.245 (31 March 2018: TL 2.945.871) has been recognised under cost of sales, TL 961.921 (31 March 2018: TL 206.839) has been recognised under administrative expenses, TL 800.982 (31 March 2018: TL 518.776) has been capitalised on stocks.

As at 31 March 2019, property and equipment were insured amounting to TL 579.406.302 against earthquake, fire, flood and similar disasters (31 December 2018: TL 551.801.218).

As at 31 March 2019 and 31 December 2018, there are no assets pledged as collateral.

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11 COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

As at 31 March 2019 and 31 December 2018, guarantees, pledges or mortgages (GPM) given are as follows:

	31 March 2019	31 December 2018
A. Commitments given in the name of own legal Entity	23.685.497	16.552.191
B. Commitments given in favor of full consolidated Subsidiaries	--	--
C. Commitments given to guarantee the debts of third parties to continue their operations	--	--
D. Other commitments given;	--	--
- in favor of parent company	--	--
- in favor of group companies other than mentioned in bullets B and C	--	--
- in favor of third parties other than mentioned in bullets C	--	--
Total	23.685.497	16.552.191

As at 31 March 2019 and 31 December 2018, the Company has letter of guarantees obtained from banks and given to Custom Offices, foreign and domestic suppliers and to banks and notes given as collaterals.

As at 31 March 2019, the ratio of other GPM's given by the Company to the Company's own funds is 0 percent (31 December 2018: 0 percent).

12 EQUITY

Paid-in-Capital / Inflation Adjustment on Capital

As at 31 March 2019, the paid-in capital of the Company comprises of 2.453.414.335 shares issued (31 December 2018: 2.453.414.335 shares) of kr 1 each (31 December 2018: kr 1). There are no privileges rights provided to different shareholder groups or individuals.

The shareholder structure of the Company is as follows:

	31 March 2019		31 December 2018	
	Ownership Interest	Shares (%)	Ownership Interest	Shares (%)
İzocam Holding	15.004.304	61,16	15.004.304	61,16
İzocam Holding (Publicly traded)	8.320.173	33,91	8.320.173	33,91
Other (Publicly traded)	1.209.666	4,93	1.209.666	4,93
	24.534.143	100,00	24.534.143	100,00
Adjustment on Capital	25.856.460		25.856.460	
	50.390.603		50.390.603	

Adjustment represents the impact of cash additions into paid-in capital due to the change in the purchasing power of TL compared to 31 December 2004.

As at 31 March 2019, adjustment on capital amounting to TL 25.856.460 consist of capital adjustment differences arising from the restatement of the Company's capital amount and which have not been offset against the accumulated losses or have not been included in the capital (31 December 2018: TL 25.856.460).

The Company acknowledged registered capital system under the provisions of Law No. 6362 and adopted the system with the permit of CMB dated 28 September 1984 numbered 291. Authorized capital of the Company is TL 60.000.000 TL and comprises of 6.000.000.000 shares issued of kr 1 each.

As at 31 March 2019, the Company does not have any unpaid share capital.

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13 REVENUE AND COST OF SALES

For the three months periods ended 31 March, revenue and cost of sales comprised the following:

	1 January- 31 March 2019	1 January- 31 March 2018
Domestic sales	82.260.561	104.671.918
Export sales	22.917.447	28.761.849
Other	3.997.067	6.482.082
Gross sales	109.175.075	139.915.849
Less: Sales returns and discounts	(7.640.709)	(8.822.688)
Net sales	101.534.366	131.093.161
Less: Cost of sales	(92.113.739)	(102.822.709)
Gross profit	9.420.627	28.270.452

For the three months periods ended 31 March, cost of sales comprised the following:

	1 January- 31 March 2019	1 January- 31 March 2018
Raw materials and consumables	76.924.692	93.398.426
Personnel	6.838.054	7.722.703
Depreciation and amortisation	2.888.245	2.945.871
Changes in inventory	5.462.748	(1.244.291)
	92.113.739	102.822.709

14 EXPENSES BY NATURE

a) Marketing, selling and distribution expenses

For the three months periods ended 31 March, marketing expenses comprised the following:

	1 January- 31 March 2019	1 January- 31 March 2018
Freight and insurance	4.610.050	7.175.688
Personnel	3.303.965	2.571.209
Licenses	1.123.851	1.344.753
Storage	1.268.681	1.096.678
Dealers and meeting expenditures	571.500	750.000
Advertisement	354.309	381.000
Transportation	236.385	212.831
Rent	--	178.724
Other	509.703	557.350
	11.978.444	14.268.233

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14 EXPENSES BY NATURE

b) Administrative expense

For the three months periods ended 31 March, administrative expenses comprised the following:

	1 January- 31 March 2019	1 January- 31 March 2018
Personnel	4.677.925	3.547.841
Depreciation and amortisation	961.921	206.839
Information technologies	301.838	182.602
Legal	216.440	101.009
Transportation	191.073	207.877
Dues	180.736	120.896
Tax expenses	78.868	313.997
Duties, taxes and levies	66.430	45.683
Representation	54.280	59.956
Travel	40.266	81.770
Rent	--	115.083
Other	457.844	346.790
	7.227.621	5.330.343

15 INCOME TAX

As at 31 March 2019 and 31 December 2018, total tax liability comprised the following:

	31 March 2019	31 December 2018
Corporate tax provision	--	6.266.041
Prepaid taxes	(159.688)	(6.376.553)
Current tax liability	(159.688)	(110.512)

Deferred tax asset and liability movements for three months period ended 31 March 2018 and 2017, are as follows:

	1 January- 31 March 2019	1 January- 31 March 2018
Opening balance as at 1 January	2.113.410	731.591
Adjustment on initial application of TFRS 9 (*)	--	24.572
Deferred tax in other comprehensive income	503.635	188.343
Deferred tax expense	2.064.014	(171.164)
Closing balance as at 31 March	4.681.059	773.342

(*) The company has initially applied TFRS 9 at 1 January 2018 under the transition method chosen, comparative information is not restated.

For the three months periods ended 31 March 2019 and 2018, taxation charge in the profit or loss comprised the following:

	1 January- 31 March 2019	1 January- 31 March 2018
Current tax expense	--	(1.707.355)
Deferred tax income (expense)	2.064.014	(171.164)
	2.064.014	(1.878.519)

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15 INCOME TAX (CONTINUED)

Deferred tax assets and deferred tax liabilities as at 31 March 2019, were attributable to the items detailed in the table below:

	31 March 2019	
	Deferred Tax Assets/(Liabilities)	Deferred Tax Assets/(Liabilities)
Employee severance indemnity	14.609.993	2.921.999
Vacation pay liability	3.245.742	714.063
Interest expense accrual	1.476.731	324.881
Amortization and depreciation of tangible and intangible assets	(14.122.653)	(2.824.531)
Unused financial losses	13.470.218	2.963.448
Other	2.641.814	581.199
Deferred tax asset/(liability), net		4.681.059

According to the Tax Procedure Law, financial losses can be carried for a maximum period of five years. Accordingly, the last year in which unused financial losses can be recognized is 2023. The Company's management considered that it is probable that there will be sufficient taxable profit in the future due to the expected operational performance improvement in the following years and accordingly deferred tax asset amounting to TL 2.963.448 (31 December 2018: None) has been reflected in the financial statements.

The maturity of the financial losses recognized in the deferred tax asset calculation will expire as follows:

	31 March 2019
2023 year	13.470.218

Deferred tax assets and deferred tax liabilities as at 31 December 2018, were attributable to the items detailed in the table below:

	31 December 2018	
	Temporary Differences	Deferred Tax Assets/(Liabilities)
Employee severance indemnity	12.522.401	2.504.480
Vacation pay liability	3.202.765	640.553
Interest expense accrual	1.935.354	425.778
Amortization and depreciation of tangible and intangible assets	(14.577.863)	(2.915.573)
Other	6.628.054	1.458.172
Deferred tax asset/(liability), net		2.113.410

Taxes recognised in other comprehensive income:

	1 January – 31 March 2019	1 January – 31 March 2018
Tax effect of re-measurement loss on defined benefit plans	503.635	188.343
	503.635	188.343

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16 EARNING PER SHARE

Earnings per share is computed by dividing the net loss for the period ended 31 March 2019 amounting to TL 7.564.635 (31 March 2018: net profit amounting to TL 4.797.780) to the weighted average of the shares during these periods.

	1 January- 31 March 2019	1 January- 31 March 2018
Earnings per share		
Net (loss) profit	(7.564.635)	4.797.780
Number of weighted average of ordinary shares	2.453.414.335	2.453.414.335
Basic Earnings per share (Kr per share)	(0,003)	0,002
Diluted Earnings per share (Kr per share)	(0,003)	0,002

17 NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

Currency risk

The Company is exposed to currency risk due to its export transactions and borrowings in foreign currency. These transactions are held in USD, Euro. The Company began to utilize factoring transactions in order to hedge foreign currency risk on its exports since 26 January 2010. Thus, the Company collects foreign denominated receivables in TL prior to maturity.

Foreign currency risk is the risk arisen from the value change of any financial instrument based on currency. The Company is exposed to the currency risk due to its net assets, export sales and borrowings in foreign currency. For the exchange rate risk, the management of the Company strictly follows up stabilizing foreign exchange position. The main currencies used are USD and Euro.

As at 31 March 2019 and 31 December 2018, net position of the Company is resulted from foreign currency assets and liabilities:

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17 NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

Currency risk (continued)

	Currency Position					
	31 March 2019			31 December 2018		
	TL	USD	Euro	TL	USD	Euro
1. Trade receivables	24.975.785	3.843.356	529.189	35.105.941	6.070.184	526.096
2a. Monetary financial assets	1.773.137	302.436	11.222	29.724	5.650	--
2b. Non-monetary financial assets	--	--	--	--	--	--
3. Other	--	--	--	--	--	--
4. Current Assets (1+2+3)	26.748.922	4.145.791	540.411	35.135.665	6.075.834	526.096
5. Trade receivables	--	--	--	--	--	--
6a. Monetary financial assets	--	--	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--	--	--
7. Other	--	--	--	--	--	--
8. Non-Current Assets (5+6+7)	--	--	--	--	--	--
9. Total Assets (4+9)	26.748.922	4.145.791	540.411	35.135.665	6.075.834	526.096
10. Trade payables	8.092.878	668.869	684.975	39.263.089	4.820.073	2.306.763
11. Financial liabilities	--	--	--	--	--	--
12a. Monetary financial liabilities	7.258.856	1.314.880	(22.443)	351.904	66.716	152
12b. Non-monetary financial liabilities	--	--	--	--	--	--
13. Short Term Liabilities (10+11+12)	15.351.734	1.983.748	662.532	39.614.993	4.886.789	2.306.915
14. Trade payables	--	--	--	--	--	--
15. Financial liabilities	--	--	--	--	--	--
16a. Monetary financial liabilities	--	--	--	--	--	--
16b. Non-monetary financial liabilities	--	--	--	--	--	--
17. Long Term Liabilities (14+15+16)	--	--	--	--	--	--
18. Total Liabilities (13+17)	15.351.734	1.983.748	662.532	39.614.993	4.886.789	2.306.915
19. Off-Balance sheet financial derivative net asset (liability) position (19a-19b)	22.364.711	3.530.986	394.206	13.143.940	1.648.037	742.167
19a. Off-balance sheet foreign currency derivative assets	22.364.711	3.530.986	394.206	13.143.940	1.648.037	742.167
19b. Off-balance sheet foreign currency derivative liabilities	--	--	--	--	--	--
20. Net foreign currency asset (liability) position (9-18+19)	33.761.899	5.693.029	272.085	8.664.612	2.837.082	(1.038.652)
21. Monetary items net foreign currency asset (liability) position (1+2a+5+6a-10-11-12a-14-15-16a)	11.397.188	2.162.043	(122.121)	(4.479.328)	1.189.045	(1.780.819)
22. Total fair value of financial instruments used for currency swap	636.211	99.903	11.698	(1.623.295)	(261.700)	(41.157)
23. Hedged amount of foreign denominated assets	--	--	--	--	--	--
24. Hedged amount of foreign denominated liabilities	--	--	--	--	--	--

İzocam Ticaret ve Sanayi Anonim Şirketi

Notes to The Condensed Financial Statements

As At and For The Three Months Period Ended 31 March 2019

All amounts are expressed in TL unless otherwise stated.

17 NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (CONTINUED)

Currency risk (continued)

As at 31 March 2019 and 31 December 2018 currency sensitivity analysis is as follows:

	Foreign Currency Sensitivity Analysis Table			
	31 March 2019		31 December 2018	
	Profit / (Loss)		Profit / (Loss)	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
Assumption of devaluation/appreciation by 10% of USD against TL				
1- Net USD asset / (liability)	3.204.265	(3.204.265)	1.492.561	(1.492.561)
2- Part of hedged from US Dollar risk (-)	--	--	--	--
3- Net US Dollar effect (1+2)	3.204.265	(3.204.265)	1.492.561	(1.492.561)
Assumption of devaluation/appreciation by 10% of EUR against TL				
4- Net EUR asset / (liability)	171.925	(171.925)	(626.100)	626.100
5- Part of hedged from EUR risk (-)	--	--	--	--
6- Net EUR effect (4+5)	171.925	(171.925)	(626.100)	626.100
TOTAL (3+6)	3.376.190	(3.376.190)	866.461	(866.461)

For the periods ended 31 March 2019 and 2018, total import and export of the Company comprised the following:

	31 March 2019	31 March 2018
Total exports	22.048.446	27.889.130
Total imports	28.813.514	35.111.204

18 SUBSEQUENT EVENTS

None.