

AKSA AKRİLİK KİMYA SANAYİİ A.Ş.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONSOLIDATED FINANCIAL STATEMENTS
AT 31 MARCH 2017**

(ORIGINALLY ISSUED IN TURKISH)

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FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

AKSA AKRİLİK KİMYA SANAYİİ A.Ş.

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2017**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

	31 March 2017 USD (*)	31 March 2017 TL	31 December 2016 TL
ASSETS			
Current assets	414,197	1,507,095	1,387,576
Cash and cash equivalents	168,757	614,037	458,301
Trade receivables			
- Trade receivables due from unrelated parties	104,476	380,144	404,647
- Trade receivables due from related parties	57,747	210,119	213,420
Other receivables			
- Other receivables due from unrelated parties	93	337	677
- Other receivables due from related parties	291	1,058	83
Derivative financial assets	137	498	673
Inventories	52,486	190,976	217,522
Prepayments	9,302	33,846	13,641
Other current assets	20,908	76,080	78,612
Non-current assets	367,212	1,336,144	1,245,394
Other receivables			
- Other receivables due from related parties	29,675	107,977	105,374
Derivative financial assets	554	2,017	1,881
Investments accounted for using equity method	57,152	207,954	214,252
Investment property	12,873	46,839	47,155
Property, plant and equipment	229,433	834,815	756,840
Intangible assets and goodwill	21,269	77,389	78,326
Prepayments	16,256	59,153	41,566
TOTAL ASSETS	781,409	2,843,239	2,632,970

(*) US Dollar ("USD") amounts presented above have been translated from Turkish Lira ("TL") for convenience purposes only, at the official TL bid rate announced by the Central Bank of the Republic of Turkey ("CBRT") at 31 March 2017, and therefore do not form part of these consolidated financial statements

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	31 March 2017 USD (*)	31 March 2017 TL	31 December 2016 TL
LIABILITIES			
Current liabilities	340,669	1,239,561	1,097,750
Current borrowings	146,183	531,903	469,319
Current proportion of non-current borrowings	27,491	100,029	111,479
Trade payables			
- Trade payables to unrelated parties	144,375	525,324	453,949
- Trade payables to related parties	9,960	36,239	33,716
Employee benefits obligations	836	3,043	2,727
Other payables			
- Other payables to unrelated parties	131	478	409
Derivative financial liabilities	14	50	1,653
Deferred income	4,628	16,840	3,304
Current tax liabilities, current	5,381	19,581	7,411
Current provisions			
- Current provisions for employee benefits	1,108	4,030	11,369
- Other current provisions	562	2,044	2,414
Non-current liabilities	75,703	275,453	285,515
Long-term borrowings	66,676	242,606	253,574
Derivative financial liabilities	150	547	1,137
Non-current provisions			
- Non-current provisions for employee benefits	5,495	19,995	19,131
Deferred tax liabilities	3,382	12,305	11,673
Total liabilities	416,372	1,515,014	1,383,265
EQUITY	365,037	1,328,225	1,249,705
Attributable to equity holders of the parent	365,037	1,328,225	1,249,705
Issued capital	50,844	185,000	185,000
Inflation adjustments on capital	53,640	195,175	195,175
Share premium	12	44	44
Other accumulated comprehensive income/(loss) that will not be reclassified in profit and loss			
- Gains/(losses) on remeasurements of defined benefit plans	(859)	(3,125)	(3,125)
Other comprehensive income/(loss) that will be reclassified in profit and loss			
- Exchange differences on translation	44,872	163,273	155,147
Restricted reserves appropriated from profits	33,718	122,685	122,685
Prior years' profits or losses	163,464	594,779	468,981
Current period net profit or loss	19,346	70,394	125,798
Non-controlling interests	-	-	-
TOTAL LIABILITIES AND EQUITY	781,409	2,843,239	2,632,970

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

	2017 USD (*)	2017 TL	2016 TL
Continuing Operations			
Revenue	169,484	625,877	442,754
Cost of sales	(129,456)	(478,061)	(360,063)
Gross profit/(loss)	40,028	147,816	82,691
General administrative expenses	(4,046)	(14,942)	(12,627)
Marketing expenses	(4,868)	(17,978)	(11,202)
Research and development expense	(360)	(1,328)	(1,372)
Other income from operating activities	18,992	70,135	20,595
Other expenses from operating activities	(16,414)	(60,614)	(23,399)
Profit/(loss) from operating activities	33,332	123,089	54,686
Share of profit/(loss) of investment accounted for using equity method	(4,011)	(14,812)	(9,570)
Profit/(loss) before financing income/(expense)	29,321	108,277	45,116
Finance income	23,215	85,729	40,591
Finance cost	(27,745)	(102,457)	(43,998)
Profit/(loss) from continuing operations, before tax	24,791	91,549	41,709
Tax (expense)/income, continuing operations			
- Current period tax (expense)/income	(5,556)	(20,519)	(12,722)
- Deferred tax (expense)/income	(172)	(636)	486
Profit/(loss)	19,062	70,394	29,473
Profit/(loss), attributable to:			
Owners of parent	19,062	70,394	29,493
Non-controlling interests	-	-	(20)
	19,062	70,394	29,473
Basic earnings/(loss) per share for owners of parent (Kr)	0.10	0.38	0.16
Other comprehensive income/(loss):			
Other comprehensive income that will not be reclassified to profit or loss			
Gains/(losses) on remeasurements of defined benefit plans	-	-	-
Taxes relating to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-
Other comprehensive income that will be reclassified to profit or loss			
Other comprehensive income (loss) related with cash flow hedges	-	-	(1,114)
Exchange differences on translation	2,200	8,126	(8,825)
Taxes relating to components of other comprehensive income that will be reclassified to profit or loss	-	-	223
Total comprehensive income/(loss)	21,263	78,520	19,757
Total comprehensive income/(loss) attributable to:			
Owners of parent	21,263	78,520	19,777
Non-controlling interests	-	-	(20)
	21,263	78,520	19,757

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