

AKSA AKRİLİK KİMYA SANAYİİ A.Ş.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONSOLIDATED FINANCIAL STATEMENTS
AT 30 SEPTEMBER 2017**

(ORIGINALLY ISSUED IN TURKISH)

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FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

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**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

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

	30 September 2017 USD (*)	30 September 2017 TL	31 December 2016 TL
ASSETS			
Current assets	404,525	1,436,912	1,387,576
Cash and cash equivalents	85,679	304,339	458,301
Trade receivables			
- Trade receivables due from unrelated parties	126,705	450,069	404,647
- Trade receivables due from related parties	52,019	184,778	213,420
Other receivables			
- Other receivables due from related parties	1,928	6,849	83
- Other receivables due from unrelated parties	1,729	6,143	677
Derivative financial assets	-	-	673
Inventories	91,001	323,244	217,522
Prepayments	7,179	25,502	13,641
Other current assets	38,284	135,988	78,612
Non-current assets	405,232	1,439,426	1,245,394
Other receivables			
- Other receivables due from related parties	28,062	99,678	105,374
Derivative financial assets	503	1,787	1,881
Investments accounted for using equity method	62,249	221,115	214,252
Investment property	13,008	46,207	47,155
Property, plant and equipment	276,871	983,474	756,840
Intangible assets and goodwill	22,388	79,525	78,326
Prepayments	2,151	7,640	41,566
TOTAL ASSETS	809,757	2,876,338	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 30 September 2017, and therefore do not form part of these consolidated financial statements

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

	30 September 2017 USD (*)	30 September 2017 TL	31 December 2016 TL
LIABILITIES			
Current liabilities	326,234	1,158,815	1,097,750
Current borrowings	176,108	625,551	469,319
Current proportion of non-current borrowings	4,904	17,420	111,479
Trade payables			
- Trade payables to unrelated parties	125,457	445,636	453,949
- Trade payables to related parties	9,080	32,253	33,716
Employee benefits obligations	902	3,204	2,727
Other payables			
- Other payables to unrelated parties	182	647	409
Derivative financial liabilities	488	1,735	1,653
Deferred income	2,348	8,342	3,304
Current tax liabilities, current	3,967	14,092	7,411
Current provisions			
- Current provisions for employee benefits	2,223	7,891	11,369
- Other current provisions	575	2,044	2,414
Non-current liabilities	120,690	428,703	285,515
Long-term borrowings	110,417	392,213	253,574
Derivative financial liabilities	-	-	1,137
Non-current provisions			
- Non-current provisions for employee benefits	7,216	25,633	19,131
Deferred tax liabilities	3,057	10,857	11,673
Total liabilities	446,924	1,587,518	1,383,265
EQUITY	362,833	1,288,820	1,249,705
Attributable to equity holders of the parent	362,833	1,288,820	1,249,705
Issued capital	52,082	185,000	185,000
Inflation adjustments on capital	54,946	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	(2,060)	(7,319)	(3,125)
Other comprehensive income/(loss) that will be reclassified in profit and loss			
- Exchange differences on translation	45,506	161,643	155,147
Restricted reserves appropriated from profits	39,554	140,498	122,685
Prior years' profits or losses	109,677	389,585	468,981
Current period net profit or loss	63,116	224,194	125,798
Non-controlling interests	-	-	-
TOTAL LIABILITIES AND EQUITY	809,757	2,876,338	2,632,970

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FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

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

	2017 USD (*)	2017 TL	2016 TL
Continuing Operations			
Revenue	545,565	1,960,896	1,420,361
Cost of sales	(432,980)	(1,556,238)	(1,098,431)
Gross profit/(loss)	112,585	404,658	321,930
General administrative expenses	(12,992)	(46,695)	(40,687)
Marketing expenses	(12,760)	(45,861)	(38,826)
Research and development expense	(1,024)	(3,681)	(4,155)
Other income from operating activities	50,979	183,231	59,834
Other expenses from operating activities	(44,572)	(160,204)	(41,920)
Profit/(loss) from operating activities	92,216	331,448	256,176
Share of profit/(loss) of investment accounted for using equity method	(9,673)	(34,766)	(42,461)
Profit/(loss) before financing income/(expense)			
Finance income	46,269	166,303	136,596
Finance cost	(52,257)	(187,824)	(167,523)
Profit/(loss) from continuing operations, before tax	76,556	275,161	182,788
Tax (expense)/income, continuing operations			
- Current period tax (expense)/income	(14,114)	(50,730)	(44,933)
- Deferred tax (expense)/income	(66)	(237)	(1,539)
Profit/(loss)	62,376	224,194	136,316
Profit/(loss), attributable to:			
Owners of parent	62,376	224,194	136,335
Non-controlling interests	0	0	(19)
Basic earnings/(loss) per share for owners of parent (Kır)	0.34	1.21	0.74
Other comprehensive income/(loss):			
Other comprehensive income that will not be reclassified to profit or loss			
Gains/(losses) on remeasurements of defined benefit plans	(1,459)	(5,243)	(1,059)
Taxes relating to components of other comprehensive income that will not be reclassified to profit or loss	292	1,049	212
Other comprehensive income that will be reclassified to profit or loss			
Other comprehensive income (loss) related with cash flow hedges	-	-	685
Exchange differences on translation	1,807	6,496	3,426
Taxes relating to components of other comprehensive income that will be reclassified to profit or loss	-	-	(137)
Total comprehensive income/(loss)	63,016	226,496	138,347
Total comprehensive income/(loss) attributable to:			
Owners of parent	63,016	226,496	136,366
Non-controlling interests	-	-	(19)
	63,016	226,496	138,347

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