

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

CARREFOURSA CARREFOUR SABANCI TİCARET MERKEZİ A.Ş.

CONDENSED CONSOLIDATED BALANCE SHEETS AT 30 JUNE 2018 AND 31 DECEMBER 2017

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	30 June 2018	31 December 2017
ASSETS		
Current Assets	1,814,373,480	1,258,935,703
Cash and Cash Equivalents	1,064,280,980	511,632,900
Trade Receivables		
Due from Related Parties	13,141,203	18,512,939
Other Trade Receivables	31,241,146	37,512,648
Other Receivables		
Other Receivables	3,877,867	16,341,311
Derivative Financial Instruments	-	37,024,056
Inventories	646,604,133	602,370,448
Prepaid Expenses	55,228,151	35,541,401
Non-Current Assets	1,559,529,734	1,986,373,944
Other Receivables		
Other Receivables	51,757,077	48,510,765
Investment Properties	-	221,363,464
Property, Plant and Equipments	620,602,439	766,581,077
Intangible Assets		
Goodwill	632,678,869	632,678,869
Other Intangible Assets	72,435,792	83,339,971
Prepaid Expenses	14,634,418	15,014,521
Deferred Tax Assets	167,421,139	218,885,277
TOTAL ASSETS	3,373,903,214	3,245,309,647

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

CARREFOURSA CARREFOUR SABANCI TİCARET MERKEZİ A.Ş.

CONDENSED CONSOLIDATED BALANCE SHEETS AT 30 JUNE 2018 AND 31 DECEMBER 2017

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	30 June 2018	31 December 2017
LIABILITIES		
Current Liabilities	2,623,534,021	2,759,182,288
Financial Liabilities		
Short Term Financial Liabilities from Related Parties	405,277,087	405,373,639
Other Short Term Financial Liabilities	498,387,561	535,893,975
Short Term Portion of Long Term Financial Liabilities		
Short Term Portion of Long Term Financial Liabilities from Related Parties	25,351,319	30,377,887
Other Short Term Portion of Long Term Financial Liabilities	191,593,266	349,241,943
Trade Payables		
Due to Related Parties	32,040,838	30,677,456
Other Trade Payables	1,210,269,668	1,226,930,467
Employee Benefit Liabilities	76,627,999	25,790,987
Other Payables		
Due to Related Parties	7,965,862	7,891,821
Other Short Term Payables	72,568,734	17,565,387
Short Term Provisions		
Provisions for Employment Benefits	9,845,935	8,247,818
Other Short Term Provisions	78,264,416	107,928,905
Other Current Liabilities	15,341,336	13,262,003
Non-Current Liabilities	407,565,422	417,536,453
Long Term Financial Liabilities		
Long Term Financial Liabilities from Related Parties	26,565,459	29,421,926
Other Long Term Financial Liabilities	337,509,732	336,778,077
Long Term Provisions		
Provisions for Employment Termination Benefits	43,490,231	51,336,450
EQUITY	342,803,771	68,590,906
Shareholders' Equity	342,803,771	68,590,906
Share Capital	700,000,000	700,000,000
Inflation Adjustment to Share Capital	91,845,783	91,845,783
Share Issue Premium	34,691,309	34,691,309
Other Comprehensive Income/Expense Not to be Reclassified		
to Profit or Loss		
Actuarial Loss	8,204,369	(601,338)
Restricted Reserves	12,318,358	12,318,358
Accumulated Losses	(769,663,206)	(463,854,309)
Net Loss for the Period	265,407,158	(305,808,897)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,373,903,214	3,245,309,647

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

CARREFOURSA CARREFOUR SABANCI TİCARET MERKEZİ A.Ş.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE INTERIM PERIODS ENDED 30 JUNE 2018 AND 2017

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	1 January - 30 June 2018	1 April - 30 June 2018	1 January - 30 June 2017	1 April - 30 June 2017
CONTINUING OPERATIONS				
Revenue	2,388,045,210	1,239,653,151	2,157,890,001	1,109,927,677
Cost of Sales (-)	(1,808,751,907)	(944,846,286)	(1,607,253,933)	(830,979,929)
GROSS PROFIT	579,293,303	294,806,865	550,636,068	278,947,748
Marketing Expenses (-)	(577,899,777)	(290,158,162)	(498,882,870)	(252,843,256)
General Administrative Expenses (-)	(82,496,537)	(37,674,789)	(59,246,728)	(31,391,632)
Other Income from Main Operations	25,416,659	8,019,905	25,838,431	(53,493)
Other Expenses from Main Operations (-)	(83,879,457)	(50,510,089)	(65,721,135)	(26,001,162)
OPERATING LOSS FROM MAIN OPERATIONS	(139,565,809)	(75,516,270)	(47,376,234)	(31,341,795)
Income From Investment Activities, net	569,337,061	518,249,646	21,289,283	-
Impairment profit / (loss) and Reversals of Impairment Losses in Accordance with TFRS 9	(1,298,514)	(1,261,128)	(3,155,698)	(1,644,640)
OPERATING PROFIT / (LOSS)	428,472,738	441,472,248	(29,242,649)	(32,986,435)
Financial Income (+)	5,655,711	2,270,241	-	-
Financial Expenses (-)	(119,458,579)	(60,206,796)	(82,079,064)	(42,147,496)
PROFIT / (LOSS) BEFORE TAX	314,669,870	383,535,693	(111,321,713)	(75,133,931)
Tax Income / (Expense)	(49,262,712)	(65,028,622)	27,617,180	14,319,637
- Taxes on Income	-	-	-	-
- Deferred Tax Income / (Expense)	(49,262,712)	(65,028,622)	27,617,180	14,319,637
NET PROFIT / (LOSS) FOR THE PERIOD	265,407,158	318,507,071	(83,704,533)	(60,814,294)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss	8,805,707	-	-	-
- Remeasurements of defined benefit asset / (liability)	11,007,134	-	-	-
- Remeasurements of defined benefit asset / (liability), tax effect	(2,201,427)	-	-	-
TOTAL COMPREHENSIVE INCOME / (EXPENSE)	274,212,865	318,507,071	(83,704,533)	(60,814,294)
Gain / (Loss) Per Share	0.3792	0.4550	(0.1196)	(0.0869)

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

CARREFOURSA CARREFOUR SABANCI TİCARET MERKEZİ A.Ş.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE INTERIM PERIODS ENDED
30 JUNE 2018 AND 2017

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	Share Capital	Inflation Adjustment to Share Capital	Share Issue Premium	Actuarial Gains / (Losses)	Restricted Reserves	Retained Losses	Net Profit / (Loss) for the Period	Total
Balance at 1 January 2017	700,000,000	91,845,783	34,691,309	(488,774)	12,318,358	(31,687,012)	(432,167,297)	374,512,367
Transfers	-	-	-	-	-	(432,167,297)	432,167,297	-
Total Comprehensive Loss	-	-	-	-	-	-	(83,704,533)	(83,704,533)
Balances at 30 June 2017	700,000,000	91,845,783	34,691,309	(488,774)	12,318,358	(463,854,309)	(83,704,533)	290,807,834
Balance at 1 January 2018	700,000,000	91,845,783	34,691,309	(601,338)	12,318,358	(463,854,309)	(305,808,897)	68,590,906
Transfers	-	-	-	-	-	(305,808,897)	305,808,897	-
Total Comprehensive Income	-	-	-	8,805,707	-	-	265,407,158	274,212,865
Balance at 30 June 2018	700,000,000	91,845,783	34,691,309	8,204,369	12,318,358	(769,663,206)	265,407,158	342,803,771

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

CARREFOURSA CARREFOUR SABANCI TİCARET MERKEZİ A.Ş.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE INTERIM PERIODS ENDED 30 JUNE 2018 AND 2017

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

CASH FLOWS FROM OPERATING ACTIVITIES	1 January - 30 June 2018	1 January - 30 June 2017
Net profit / (loss) profit for the period	265,407,158	(83,704,533)
Adjustments to reconcile net profit / (loss) for the period	(380,950,351)	29,394,585
- Depreciation of investment properties	2,213,596	2,936,319
- Depreciation of property, plant and equipments	52,504,010	37,550,400
- Amortization of intangible assets	16,410,353	13,325,907
- Gain on sale of tangible assets	(569,337,061)	(21,289,283)
- Risk, lawsuit, personnel, SSI and other provisions	(29,664,489)	(32,633,510)
- Interest accruals (reversals) / net	27,854,648	23,251,835
- Impairment provision / (impairment provision no longer required)	-	(393,990)
- Change in unused vacation provision	1,598,117	1,416,982
- Provision for employment termination benefit	24,682,601	19,391,448
- Allowance for doubtful receivables	2,729,644	4,138,046
- Change in inventory impairment	3,499,399	925,180
- Unrealized foreign exchange loss	37,296,119	8,392,431
- Tax (income) / expense	49,262,712	(27,617,180)
Changes in working capital:	80,811,364	35,197,499
- (Increase) / decrease in trade receivables, including collection from doubtful receivables	3,541,858	(4,796,712)
- Increase in inventories	(47,733,084)	(43,056,503)
- Decrease in due from related parties	5,371,736	2,694,565
- Decrease in other receivables and current assets	46,241,188	86,972,480
- Increase in prepaid expenses	(19,306,647)	(2,241,456)
- Increase in due to other short term payables	55,003,347	4,869,460
- Decrease in due to other short term trade payables	(16,660,799)	(42,633,490)
- (Decrease) / Increase in due to related parties	1,437,423	(3,685,668)
- Increase in employee benefit liabilities	50,837,012	35,239,091
- Increase in other short-term liabilities	2,079,330	1,835,732
Used in operating activities	(34,731,829)	(19,112,449)
- Employee termination benefits paid	(21,521,686)	(17,194,286)
Net cash used in operating activities	(56,253,515)	(36,306,735)

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

CARREFOURSA CARREFOUR SABANCI TİCARET MERKEZİ A.Ş.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE INTERIM PERIODS ENDED 30 JUNE 2018 AND 2017

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

	1 January - 30 June 2018	1 January - 30 June 2017
CASH FLOWS FROM INVESTING ACTIVITIES		
- Acquisition of property, plant and equipments	(34,914,965)	(20,848,451)
- Acquisition of intangible assets	(6,245,995)	(8,541,688)
- Acquisition of investment properties	(756,331)	(298,497)
- Proceeds from sale of tangible assets	918,372,674	48,828,306
Net cash generated from investing activities	876,455,383	19,139,670
CASH FLOWS FROM FINANCING ACTIVITIES		
- Proceeds from bank borrowings	123,260,000	864,448,906
- Repayment of borrowings	(370,110,407)	(839,506,089)
- Repayment of financial lease payables	(20,515,884)	(17,370,566)
Net cash (used in) / generated from financing activities	(267,366,291)	7,572,251
Decrease in cash and cash equivalents	552,835,577	(9,594,814)
Cash and cash equivalents at the beginning of the period	511,632,900	274,877,489
- The impact of change in foreign currency exchange over cash and cash equivalents	(187,497)	(648,434)
Cash and cash equivalents at the end of the period	1,064,280,980	264,634,241

In the current period, paid interest is amounting to TRY 122,266,721 and received interest is amounting to TRY 4,825,315 (30 June 2017: paid interest, TRY 113,565,856 and received interest, TRY 159,889) .