

**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 2017 AND 31 DECEMBER 2016**

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

	Notes	30 June 2017	31 December 2016
<b>ASSETS</b>			
<b>Current Assets</b>		<b>985,828,287</b>	<b>1,039,890,473</b>
Cash and Cash Equivalents	3	264,634,241	274,877,489
Trade Receivables			
Due from Related Parties	26	10,808,214	13,502,779
Other Trade Receivables	5	25,254,918	24,596,252
Other Receivables			
Other Receivables		3,601,186	84,971,036
Derivative Financial Instruments	6	34,649,258	40,242,872
Inventories	7	601,732,891	559,601,568
Prepaid Expenses		45,147,579	42,098,477
<b>Non-Current Assets</b>		<b>1,958,896,008</b>	<b>1,983,364,513</b>
Other Receivables			
Other Receivables		52,408,295	52,417,311
Investment Properties	8	222,787,922	225,425,744
Property, Plant and Equipments	9	621,624,550	665,519,110
Intangible Assets			
Goodwill	11	774,396,869	774,396,869
Other Intangible Assets	10	70,596,342	75,332,983
Prepaid Expenses		17,045,843	17,853,489
Deferred Tax Assets	24	200,036,187	172,419,007
<b>TOTAL ASSETS</b>		<b>2,944,724,295</b>	<b>3,023,254,986</b>

The accompanying notes form an integral part of these condensed interim financial statements.

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**CONDENSED CONSOLIDATED BALANCE SHEETS AT 30 JUNE 2017 AND 31 DECEMBER 2016**

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

	Notes	30 June 2017	31 December 2016
<b>LIABILITIES</b>			
<b>Current Liabilities</b>		<b>2,182,648,724</b>	<b>2,124,996,601</b>
Financial Liabilities			
Short Term Financial Liabilities from Related Parties	4, 26	233,345,994	69,138,308
Other Short Term Financial Liabilities	4	671,890,247	740,834,609
Short Term Portion of Long Term Financial Liabilities			
Short Term Portion of Long Term Financial Liabilities from Related Parties	4, 26	32,547,805	34,916,359
Other Short Term Portion of Long Term Financial Liabilities	4	52,327,463	51,978,707
Trade Payables			
Due to Related Parties	26	21,477,878	25,206,812
Other Trade Payables	5	962,810,930	1,005,444,420
Employee Benefit Liabilities	14	60,641,196	25,402,105
Other Payables			
Due to Related Parties	26	7,170,630	7,127,364
Other Short Term Payables		20,174,252	15,304,792
Short Term Provisions			
Provisions for Employment Benefits	12	9,077,287	7,660,305
Other Short Term Provisions		94,759,416	127,392,926
Other Current Liabilities	15	16,425,626	14,589,894
<b>Non-Current Liabilities</b>		<b>471,267,737</b>	<b>523,746,018</b>
Long Term Financial Liabilities			
Long Term Financial Liabilities from Related Parties	4, 26	37,999,650	71,159,123
Other Long Term Financial Liabilities	4	382,950,167	404,466,137
Long Term Provisions			
Provisions for Employment Termination Benefits	12	50,317,920	48,120,758
<b>EQUITY</b>		<b>290,807,834</b>	<b>374,512,367</b>
<b>Shareholders' Equity</b>		<b>290,807,834</b>	<b>374,512,367</b>
Share Capital	16	700,000,000	700,000,000
Inflation Adjustment to Share Capital	16	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	16		
Actuarial Loss		(488,774)	(488,774)
Restricted Reserves	16	12,318,358	12,318,358
Accumulated Losses	16	(463,854,309)	(31,687,012)
Net Loss for the Period		(83,704,533)	(432,167,297)
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>2,944,724,295</b>	<b>3,023,254,986</b>

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**CARREFOURSA CARREFOUR SABANCI TİCARET MERKEZİ A.Ş.**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE INTERIM PERIODS ENDED 30 JUNE 2017 AND 2016**

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

	Notes	1 January - 30 June 2017	1 April - 30 June 2017	1 January - 30 June 2016	1 April - 30 June 2016
<b>CONTINUING OPERATIONS</b>					
Revenue	17	2,156,413,995	1,109,740,955	2,234,215,347	1,136,525,834
Cost of Sales (-)	17	(1,606,962,417)	(830,649,691)	(1,748,311,833)	(922,475,898)
<b>GROSS PROFIT</b>		<b>549,451,578</b>	<b>279,091,264</b>	<b>485,903,514</b>	<b>214,049,936</b>
Marketing Expenses (-)	18	(499,748,976)	(253,526,310)	(545,353,056)	(272,318,819)
General Administrative Expenses (-)	18	(60,351,830)	(32,496,734)	(61,735,735)	(32,066,107)
Other Income from Main Operations	20	25,838,431	(53,493)	35,858,311	17,929,965
Other Expenses from Main Operations (-)	20	(65,721,135)	(26,001,161)	(173,999,356)	(105,759,542)
<b>OPERATING LOSS FROM MAIN OPERATIONS</b>		<b>(50,531,932)</b>	<b>(32,986,434)</b>	<b>(259,326,322)</b>	<b>(178,164,567)</b>
Income From Investment Activities, net	21	21,289,283	-	-	-
<b>OPERATING LOSS</b>		<b>(29,242,649)</b>	<b>(32,986,434)</b>	<b>(259,326,322)</b>	<b>(178,164,567)</b>
Financial Expenses (-)	23	(82,079,064)	(42,147,496)	(70,939,807)	(36,604,063)
<b>LOSS BEFORE TAX</b>		<b>(111,321,713)</b>	<b>(75,133,930)</b>	<b>(330,266,129)</b>	<b>(214,768,630)</b>
<b>Tax Income</b>		<b>27,617,180</b>	<b>14,319,637</b>	<b>63,716,015</b>	<b>42,201,591</b>
- Taxes on Income	24	-	-	-	-
- Deferred Tax Income	24	27,617,180	14,319,637	63,716,015	42,201,591
<b>NET LOSS FOR THE PERIOD</b>		<b>(83,704,533)</b>	<b>(60,814,293)</b>	<b>(266,550,114)</b>	<b>(172,567,039)</b>
<b>TOTAL COMPREHENSIVE LOSS</b>		<b>(83,704,533)</b>	<b>(60,814,293)</b>	<b>(266,550,114)</b>	<b>(172,567,039)</b>
Loss Per Share	25	(0.1196)	(0.0869)	(0.3808)	(0.2465)

The accompanying notes form an integral part of these condensed interim financial statements.

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CARREFOURSA CARREFOUR SABANCI TİCARET MERKEZİ A.Ş.**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE INTERIM PERIODS ENDED  
30 JUNE 2017 AND 2016**

(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 (Loss) / Profit for the Period	Total
<b>Balance at 1 January 2016</b>	113,839,303	678,006,480	34,691,309	(1,437,518)	12,318,358	-	(31,687,012)	805,730,920
Transfers	586,160,697	(586,160,697)	-	-	-	(31,687,012)	31,687,012	-
Total Comprehensive Loss	-	-	-	-	-	-	(266,550,114)	(266,550,114)
<b>Balances at 30 June 2016</b>	700,000,000	91,845,783	34,691,309	(1,437,518)	12,318,358	(31,687,012)	(266,550,114)	539,180,806
<b>Balance at 1 January 2017</b>	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)
<b>Balance at 30 June 2017</b>	700,000,000	91,845,783	34,691,309	(488,774)	12,318,358	(463,854,309)	(83,704,533)	290,807,834

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**CARREFOURSA CARREFOUR SABANCI TİCARET MERKEZİ A.Ş.**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE INTERIM PERIODS ENDED 30 JUNE 2017 AND 2016**

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

CASH FLOWS FROM OPERATING ACTIVITIES	Notes	1 January - 30 June 2017	1 January - 30 June 2016
<b>Net loss profit for the period</b>		<b>(83,704,533)</b>	<b>(266,550,114)</b>
<b>Adjustments to reconcile net loss for the period</b>		<b>24,783,438</b>	<b>193,124,165</b>
- Depreciation of investment properties	8	2,936,319	2,927,045
- Depreciation of property, plant and equipments	9	37,550,400	45,653,403
- Amortization of intangible assets	10	13,325,907	10,690,284
- Gain on sale of tangible assets	21	(21,289,283)	-
- Risk, lawsuit, personnel, SSI and other provisions	12	(32,633,510)	49,392,267
- Interest accruals	4	23,251,835	59,015,277
- Impairment provision / (impairment provision no longer)	20	(393,990)	10,560,640
- Change in unused vacation provision	12	1,416,982	3,307,776
- Provision for employment termination benefit	12	19,391,448	24,755,359
- Allowance for doubtful receivables	5	4,138,046	4,693,853
- Change in inventory impairment	7	925,180	44,766,614
- Unrealized foreign exchange loss		3,781,284	1,192,750
- Tax (income) / expense	24	(27,617,180)	(63,716,015)
- Tax effect of acquired subsidiary	24	-	(115,088)
<b>Changes in working capital:</b>		<b>35,197,499</b>	<b>(34,127,871)</b>
- Increase in trade receivables, including collection from doubtful receivables		(4,796,712)	(18,473,210)
- Increase in inventories		(43,056,503)	(88,033,414)
- Decrease in due from related parties		2,694,565	4,021,955
- Decrease in other receivables and current assets		86,972,480	8,156,834
- Increase in prepaid expenses		(2,241,456)	(2,449,703)
- Increase in due to other short term payables	26	4,869,460	780,801
- (Decrease) / Increase in due to other short term trade payables		(42,633,490)	62,939,529
- (Decrease) / Increase in due to related parties	26	(3,685,668)	180,725
- (Decrease) / Increase in employee benefit liabilities		35,239,091	(2,983,679)
- Increase in other short-term liabilities		1,835,732	1,732,291
<b>Used in operating activities</b>		<b>(23,723,596)</b>	<b>(107,553,820)</b>
- Employee termination benefits paid	12	(17,194,286)	(24,637,361)
<b>Net cash used in operating activities</b>		<b>(40,917,882)</b>	<b>(132,191,181)</b>

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE INTERIM PERIODS ENDED 30 JUNE 2017 AND 2016**

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

	Notes	1 January - 30 June 2017	1 January - 30 June 2016
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
- Acquisition of property, plant and equipments	9	(20,848,451)	(27,641,383)
- Acquisition of intangible assets	10	(8,541,688)	(5,587,762)
- Acquisition of investment properties	8	(298,497)	(202,538)
- Change in goodwill due to revision in fair value of acquired subsidiary		-	(460,350)
- Proceeds from sale of tangible assets		48,828,306	18,220,740
<b>Net cash (used in) / generated from investing activities</b>		<b>19,139,670</b>	<b>(15,671,293)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
- Proceeds from bank borrowings		897,548,668	154,026,553
- Repayment of borrowings		(872,605,851)	(198,564,006)
- Repayment of financial lease payables		(17,370,566)	(14,347,138)
<b>Net cash (used in) / generated from financing activities</b>		<b>7,572,251</b>	<b>(58,884,591)</b>
<b>Decrease in cash and cash equivalents</b>		<b>(14,205,961)</b>	<b>(206,747,065)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>274,877,489</b>	<b>274,088,979</b>
- The impact of change in foreign currency exchange over cash and cash equivalents		3,962,713	280,195
<b>Cash and cash equivalents at the end of the period</b>	3	<b>264,634,241</b>	<b>67,622,109</b>

In the current period, paid interest is amounting to TRY 113,565,856 and received interest is amounting to TRY 159,889. (30 June 2016: paid interest, TRY 46,333,382 and received interest, TRY 202,932).

The accompanying notes form an integral part of these condensed interim financial statements.