

**Tümosan Engine and Tractor Industry Inc. and its
Subsidiaries**

Consolidated Financial Statements for the Interim
Period from January 1 to March 31, 2016 and
Condensed Notes

Tümosan Engine and Tractor Industry Inc. and its Subsidiaries

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TÜMOSAN ENGINE and TRACTOR INDUSTRY INC. and ITS

AS OF MARCH 31, 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(BALANCE SHEET) AS OF SEPTEMBER 30, 2016

	Note	Unaudited March 31, 2016	Audited December 31, 2015
ASSETS			
Current Assets		255,062,821	231,429,844
Cash and Cash Equivalents	4	1,740,380	239,778
Trade Receivables		98,557,912	111,457,422
- Trade Receivables from Related Parties	6.24	2,010,387	487,581
- Trade Receivables from Third Parties	6	96,547,525	110,969,841
Other Receivables		22,359,283	11,914,620
- Other Receivables from Related Parties	7.24	11,500,001	11,723,444
- Other Receivables From Third Parties	7	10,859,282	191,176
Inventories	8	123,223,036	93,965,433
Prepaid Expenses		434,224	1,746,416
Other Current Assets	16	8,747,986	12,106,175
Fixed Assets		125,053,722	121,948,994
Investment Property	9	2,003,303	2,015,172
Tangible Fixed Assets	10	95,776,504	93,484,854
Intangible Fixed Assets		27,148,504	25,789,580
- Other Intangible Fixed Assets	11	27,148,504	25,789,580
Prepaid Expenses		125,411	659,388
TOTAL ASSETS		380,116,543	353,378,838

The accompanying notes are an integral part of the interim consolidated financial statements.

TÜMOSAN ENGINE and TRACTOR INDUSTRY INC. and ITS

AS OF MARCH 31, 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(BALANCE SHEET) AS OF SEPTEMBER 30, 2016 (CONTINUED)

		Unaudited	Audited
		March 31, 2016	December 31, 2015
RESOURCES			
Short-term Liabilities		100,636,979	86,860,663
Short-term Borrowings	5	34,870,074	32,735,374
Other Financial Liabilities		--	182,606
Trade Payables		51,444,870	38,336,182
- Trade Payables to Related Parties	6.24	7,183,292	891,848
- Trade Payables to Third Parties	6	44,261,578	37,444,334
Other Payables		350,534	31,176
- Other Payables to Related Parties	7.24	--	28,176
- Other Payables to Third Parties	7	350,534	3,000
Liabilities for Employee Benefits	15	2,487,901	1,595,395
Deferred Income		738,800	5,275,137
Tax Liability on Income for the Period		2,664,201	1,020,276
Short-term Provisions		7,770,093	7,277,070
- Short-Term Provisions for Employee Benefits	14	879,804	826,860
- Other Short-term Provisions	12	6,890,289	6,450,210
Other Short-term Liabilities		310,506	407,447
Long-term Liabilities		6,726,219	3,978,876
Long-term Borrowings	5	2,793,697	0
Long-term Provisions		3,658,863	3,343,451
- Long-term Provisions for Employee Benefits	14	3,658,863	3,343,451
Deferred Tax Liability		273,659	635,425
EQUITY		272,753,345	262,539,299
Equity of the Parent Company		272,753,345	262,539,299
Paid-in Capital	17	115,000,000	115,000,000
Premiums/Allowances on Shares		13,074,563	13,074,563
Reserves on Retained Earnings		13,843,979	13,843,979
Capital Reserves		729,443	729,443
Accumulated Other Comprehensive Income and Expenses that will not be reclassified to Profit or Loss			
- Revaluation and Measurement Gains/Losses		39,371,136	39,371,136
- Actuarial Gains/Losses from Pension Plans		211,920	194,984
Accumulated Profits/Losses		80,325,194	46,730,878
Net Income/Loss for the Period		10,197,110	33,594,316
Non-controlling Interests		-	-
TOTAL RESOURCES		380,116,543	353,378,838

The accompanying notes are an integral part of the interim consolidated financial statements.

**TÜMOSAN ENGINE and TRACTOR INDUSTRY INC. and ITS
CONSOLIDATED INCOME STATEMENT FOR
THE PERIOD FROM JANUARY 1 TO MARCH 31,
2016**

		Unaudited	Unaudited
	Note	01.01.2016 - March 31, 2016	01.01.2015 - 31.03.2015
Revenue	18	108,612,536	96,428,260
Cost of Sales (-)	18	(77,660,682)	(75,678,819)
GROSS PROFIT/(LOSS)		30,951,854	20,749,441
General Administrative Expenses (-)	19	(3,969,692)	(2,861,385)
Marketing Expenses (-)	19	(14,696,603)	(8,123,920)
Research and Development Expenses (-)	19	(936,958)	(857,384)
Other Real Operating Income		2,632,361	5,583,921
Other Real Operating Expenses (-)		(1,323,582)	(3,393,180)
REAL OPERATING PROFIT/LOSS		12,657,380	11,097,493
Income from Investing Activities		178,853	
Expenses from Investing Activities (-)		--	(24,955)
OPERATING PROFIT/LOSS BEFORE FINANCING EXPENSES		12,836,233	11,072,538
Financing Income	20	657,446	1,229,123
Financing Expenses (-)	21	(997,949)	(1,536,605)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		12,495,730	10,765,056
Tax Income/(Expense) from Continuing Operations	22	(2,298,620)	(1,982,073)
- Tax Income/(expense) for the Period		(2,664,620)	(2,367,497)
- Deferred Tax Income/(Expense) for the Period		366,000	385,424
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		10,197,110	8,782,983
INCOME/(LOSS) FOR THE PERIOD		10,197,110	8,782,983
Distribution of Income/(Loss) for the period		10,197,110	8,782,983
Non-controlling Interests		--	--
Parent Company's Shares		10,197,110	8,782,983
Number of Shares	23	115,000,000	115,000,000
Earnings Per Share	23	0.0887	0.0764

The accompanying notes are an integral part of the interim consolidated financial statements.

TÜMOSAN ENGINE and TRACTOR INDUSTRY INC. and ITS

**CONSOLIDATED STATEMENT OF OTHER
COMPREHENSIVE INCOME FOR PERIOD FROM
JANUARY 1 TO MARCH 31, 2016**

TÜMOSAN ENGINE and TRACTOR INDUSTRY INC. and ITS

**CONSOLIDATED STATEMENT OF OTHER
COMPREHENSIVE INCOME FOR PERIOD FROM
JANUARY 1 TO MARCH 31, 2016**

	Not e	Unaudited 01.01.2016 - March 31, 2016	Unaudited 01.01.2015 - 31.03.2015
INCOME/(LOSS) FOR THE PERIOD		10,197,110	8,782,983
OTHER COMPREHENSIVE INCOME			
Not To Be Reclassified to Profit or Loss		16,936	160,344
Actuarial Gains/Losses from Employee Benefits			
- Actuarial Gain/Loss	<i>14</i>	21,170	200,431
- Deferred Tax Expense/Income	<i>22</i>	(4,234)	(40,087)
To Be Reclassified As Profit or Loss		-	-
OTHER COMPREHENSIVE INCOME (AFTER TAX)		16,936	160,344
TOTAL COMPREHENSIVE INCOME		10,214,046	8,943,327
Distribution of the Total Comprehensive Income		10,214,046	8,943,327
Non-controlling Interests		-	-
Parent Company's Shares		10,214,046	8,943,327

The accompanying notes are an integral part of the interim consolidated financial statements.

TÜMOSAN ENGINE and TRACTOR INDUSTRY INC. and ITS

CONSOLIDATED STATEMENT OF CHANGES IN
EQUITY FOR THE PERIOD FROM JANUARY 1
TO MARCH 31, 2016

	Note	Paid-in Capital	Share Premiums	Tangible Fixed Assets Valuation Funds	Restricted Profit Reserves	Capital Reserves	Actuarial Gains/Losses from Pension Plans	Accumulate d Profits/Loss es	Net Income/(Loss) for the Period	Equity of the Parent Company	Non- controlling Interests	Total Equity
January 1, 2016	<i>17</i>	115,000,000	13,074,563	39,371,136	13,843,979	729,443	194,984	46,730,878	33,594,316	262,539,299	-	262,539,299
Transfers			-	-		-	-	33,594,316	(33,594,316)	-	-	-
Net Income for the Period		-	-	-	-	-	-	-	10,197,110	10,197,110	-	10,197,110
Other Comprehensive Income		-	-	-	-	-	16,936	-	-	16,936	-	16,936
March 31, 2016		115,000,000	13,074,563	39,371,136	13,843,979	729,443	211,920	80,325,194	10,197,110	272,753,345	-	272,753,345

	Note	Paid-in Capital	Share Premiums	Tangible Fixed Assets Valuation Funds	Restricted Profit Reserves	Capital Reserves	Actuarial Gains/Losses from Pension Plans	Accumulate d Profits/Loss es	Net Income/(Loss) for the Period	Equity of the Parent Company	Non- controlling Interests	Total Equity
January 1, 2015	<i>17</i>	115,000,000	13,074,563	39,371,136	10,504,898	-	(112,686)	28,324,897	21,745,062	227,907,870	-	227,907,870
Transfers			-	-		-	-	21,745,062	(21,745,062)	-	-	-
R&D Grants		-	-	-	-	332,492	-	-	-	332,492	-	332,492
Net Income for the Period		-	-	-	-	-	-	-	8,782,983	8,782,983	-	8,782,983
Other Comprehensive Income		-	-	-	-	-	160,344	-	-	160,344	-	160,344
March 31, 2015		115,000,000	13,074,563	39,371,136	10,504,898	332,492	47,658	50,069,959	8,782,983	237,183,689	-	237,183,689

TÜMOSAN ENGINE and TRACTOR INDUSTRY INC. and ITS

**CONSOLIDATED STATEMENT OF CHANGES IN
EQUITY FOR THE PERIOD FROM JANUARY 1
TO MARCH 31, 2016**

TÜMOSAN ENGINE and TRACTOR INDUSTRY INC. and ITS

**CONSOLIDATED STATEMENT OF CHANGES IN
EQUITY FOR THE PERIOD FROM JANUARY 1
TO MARCH 31, 2016**

The accompanying notes are an integral part of the interim consolidated financial statements.

**CONSOLIDATED CASH-FLOW STATEMENT
FOR THE PERIOD FROM JANUARY 1 TO
MARCH 31, 2016**

(Amounts are expressed in Turkish lira (TL) unless stated otherwise)

	Note	Unaudited 01.01.2016 March 31, 2016	Unaudited 01.01.2015 31.03.2015
Net income for the period		10,197,110	10,765,056
Reconciliation of net income to net cash provided by operating activities:			
Adjustments related to depreciation and amortisation expenses	8,9,10	4,350,512	3,554,402
Adjustments related to severance payment	13	390,587	166,851
Adjustments related to provision for doubtful receivables	5	--	2,147,763
Tax income/expense	21	2,298,620	
Adjustments related to provision/(cancellation) for inventory impairment	7	--	62,169
Provision for unused vacation entitlements	13	52,944	33,816
Provision for Impairment of Shares		--	24,955
Adjustments related to fixed asset sales profit/loss, net		(178,853)	--
Provision for warranties, net	11	440,079	1,689,627
Interest and factoring expenses	20	997,949	1,301,812
Interest income	19	(657,446)	(4,415,875)
Net cash from operating activities before changes in operating assets and liabilities			
Change in assets and liabilities			
Adjustments related to changes in financial investments		--	65,567
Adjustments related to increase/decrease in trade and other receivables		3,754,210	9,078,752
Adjustments related to increase/decrease in trade and other payables/receivables with related parties		4,963,905	(12,299,760)
Adjustments related to increase/decrease in inventories		(29,257,603)	(9,747,914)
Adjustments related to increase/decrease in Prepaid Expenses and Other Current Assets		4,670,381	11,565,547
Adjustments related to increase/decrease in Prepaid Expenses and Other Fixed Assets		533,977	(61,626)
Adjustments related to increase/decrease in trade and other payables		7,164,778	3,015,057
Adjustments related to other liabilities and provisions		795,565	(723,549)
Adjustments related to deferred income		(4,536,337)	(1,598,773)
Severance payments paid		(54,005)	224,641
Taxes paid		(1,020,695)	(1,028)
Expenses (income) not requiring Cash Outflow (Inflow) net		--	74,381
Net cash from/(used in) operating activities		4,905,678	14,921,871
Cash flows from investing activities			
Cash outflows from purchases of tangible and intangible fixed assets	8,9,10	(8,169,717)	(7,192,732)
Proceeds from the sales of tangible fixed assets		359,353	38,808
Net cash from/(used in) investing activities		(7,810,364)	(7,153,924)
Net cash used in financial activities			
Changes in financial payables, net		4,745,791	(4,951,413)
Interest paid		(997,949)	(620,419)
Interest earned		657,446	396,521
Net cash from financial activities		4,405,288	(5,175,311)
Net increase/decrease in cash and cash equivalents		1,500,602	2,592,636
Cash and cash equivalents at the beginning of the period	4	239,778	1,229,935

TÜMOSAN ENGINE and TRACTOR INDUSTRY INC. and ITS SUBSIDIARIES

**CONSOLIDATED CASH-FLOW STATEMENT
FOR THE PERIOD FROM JANUARY 1 TO
MARCH 31, 2016**

(Amounts are expressed in Turkish lira (TL) unless stated otherwise)

Cash and cash equivalents at the end of the period	4	1,740,380	3,822,571
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The accompanying notes are an integral part of the interim consolidated financial statements.

TÜMOSAN ENGINE and TRACTOR INDUSTRY INC. and ITS

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS AS OF MARCH 31, 2016

(Amounts are expressed in Turkish lira ("TL") unless stated otherwise)

Note 1 - The Company's Organization and Area of Activity

Tümosan Engine and Tractor Inc. (formerly Alçelik Çelik Yapı Construction Industry and Trade Inc.) (hereinafter "Tümosan" or the "Company") was established in 1975 to produce engine parts, transmission organs and similar equipment, but later on has concentrated its activities in the production of diesel engines and tractors. Tümosan, being Turkey's first diesel-engine manufacturer, has been supplying diesel engines for tractors manufactured under the same brand, as well as other manufacturers of diesel-powered vehicles for many years.

The Company was included in the privatization program on August 18, 1998, and the Company's shares belonging to the Mechanical and Chemical Industry Corporation were transferred to the Privatization Administration and it was decided to complete the privatization process within one year.

Four companies participated in the privatization tender held on April 24, 2000. Anadolu Joint Venture Group ranked first and Konya Selçuklu Joint Venture Group ranked second, according to the results of the tender. As the entrepreneurs determined to be the buyers as per the tender result were not able to sign the sales contract offered to them respectively within the given time period, the tender could not be concluded positively and their tender guarantees were forfeited in connection therewith.

Tümosan, which continued its activities limitedly after the tender, was attached to Sümer Holding on February 7, 2003. The second tender for its privatization was announced in 2004 and Alçelik Çelik Yapı Construction Industry and Trade Inc. purchased Tümosan by means of an asset sale and the transfer was completed on July 1, 2004.

On December 5, 2012, 26% of the company's shares were offered to the public at the Istanbul Stock Exchange. Tümosan Engine and Tractor Industry Inc.'s shares have been traded on the Istanbul Stock Exchange since 5 December 2012.

The Company's headquarters and factory are located at the following

addresses: Head office:

Istanbul World Trade Centre A3 Blok Kat: 8, 34149-Istanbul/Turkey Factory:

Büyükkayacık Mahallesi Aksaray Çevre Yolu Caddesi No: 7/1, Selçuklu/Konya/Turkey

Information on the Company's shareholders and their shares is as follows:

Name/Title	March 31, 2016	December 31, 2015
	Share Rate %	Share Rate %
Ereğli Textile Tourism Industry and Trade Inc.	65.47	66.33
Muzaffer Albayrak	1.74	1.74
Ahmet Albayrak (son of Ahmet)	1.74	1.74
Bayram Albayrak	1.74	1.74
Nuri Albayrak	1.74	1.74
Kazım Albayrak	1.74	1.74
Mustafa Albayrak	1.74	1.74
Free-float portion	24.10	23.23
Total	100.00	100.00

The Company is controlled by the Albayrak Family although Ereğli Textile Tourism Industry and Trade Inc. is the main shareholder.

Note 1 - The Company's Organization and Area of Activity

The upper limit of the Company's registered capital is TL 500 million with the Capital Markets Board's permission dated 29.06.2012 and numbered 22/778. The upper limit of the registered capital approved by the Capital Markets Board is valid for 2012-2016 (5 years).

As of March 31, 2016, the average number of workers employed by the Company is 487 (31 December 2015: 478)

Subsidiaries Included in Consolidation (According to effective rate)

Tümosan Foundry Inc.: It is engaged in all kinds of casting and processing activities and trading.

Tümosan Defence Inc.: It is engaged in the development of new products in defence and weapons industries, in R&D activities, in the contribution to the production and development of existing products, in the production, purchase and sale of weapons and subsidiary industry products thereof.

The consolidated interim financial statements as of March 31, 2016 and December 31, 2015 have been prepared by consolidating the following subsidiaries in accordance with the full consolidation method:

Company	Ownership Ratio	
	March 31, 2016	December 31, 2015
Tümosan Foundry Inc.	100%	100%
Tümosan Defence Inc.	100%	100%

Note 2 - Basis of Presentation of Financial Statements

2.1 Basis of presentation

2.1.1 Implemented financial reporting standards

Companies of the Group operating in Turkey prepare their accounting records and legal financial statements in Turkish lira in accordance with the accounting and financial reporting standards ("CMB Financial Reporting Standards") adopted by the Capital Markets Board ("CMB"), Turkish Commercial Code ("TCC"), provisions of the Turkish Tax Legislation and requirements of the Uniform Chart of Accounts promulgated by the Ministry of Finance. Subsidiaries operating in foreign countries prepare their accounting records and legal financial statements in accordance with the laws and regulations of the countries in which they operate.

The condensed consolidated interim financial statements are based on the legal records of the Company and its subsidiaries and expressed in Turkish lira and have been prepared subject to certain adjustments and reclassifications so as to duly present the Group's financial position in accordance with CMB's communiqués. The main one of adjustment records are: the application of consolidation accounting, the recognition of business combinations, the calculation of deferred taxes, the calculation of severance pay and other provisions consist the major adjustments. Financial statements are prepared on a cost basis except for financial assets and liabilities that are carried at fair value and assets and liabilities that are included in the application of business combinations.

The interim financial statements have been prepared in accordance with the provisions of the Capital Markets Board's "Communiqué on Principles of Financial Reporting in Capital Market" (Serial: II, No: 14.1) ("Communiqué"), promulgated in the Official Gazette edition 28676 on June 13, 2013 and thus pursuant to Article 5 of the Communiqué, Turkish Accounting Standards/Turkish Financial Reporting

TÜMOSAN ENGINE and TRACTOR INDUSTRY INC. and ITS

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS AS OF MARCH 31, 2016

(Amounts are expressed in Turkish lira ("TL") unless stated otherwise)

Standards promulgated by the the Public Oversight, Accounting and Auditing Standards Authority and annexes and interpretations thereof have been taken as a basis.

Note 2 - Basis of presentation of financial statements (continued)

2.1 Basis of presentation (continued)

2.1.1 Applied financial reporting standards (continued)

The Group has prepared its consolidated financial statements for the interim period ended March 31, 2016, within the frame of the CMB's Communiqué (Serial II, No. 14.1) and announcements clarifying this Communiqué, according to TAS 34 "Interim Financial Reporting". The condensed consolidated interim financial statements and notes are presented in accordance with the formats recommended by CMB and with the inclusion of the mandatory information.

The entities are free to prepare their interim financial statements as complete or condensed set in accordance with TAS 34 standards. In this context, the Group has preferred to prepare condensed consolidated financial statements for interim periods.

Furtmermore, pursuant to the Communiqué and announcements clarifying this Communiqué, the statement of guarantee, pledge and mortgage, the statement of foreign exchange position, the total export and total import volumes and the hedged portion of total foreign-currency liability are presented in the notes to the condensed financial statements (Notes 12-25)

The Company's condensed consolidated financial information prepared as at March 31, 2016 were approved by the Board of Management on May 10, 2016.

2.1.2 Changes in Accounting Policies and Estimates, and Errors

In the event of changes in accounting policies and estimates, and errors, the material changes made and accounting errors detected are applied retrospectively and the prior period financial statements are revised. If the changes in accounting estimates are only relevant to one period, they are applied in the period in which the change is made, if they are relevant to future periods, they are applied both in the period in which the change is made and prospectively.

The condensed consolidated interim financial statements as of March 31, 2016 have been prepared using the accounting policies consistent with the accounting policies applied during the preparation of the consolidated financial statements for year ended December 31, 2015. Therefore, these condensed consolidated interim financial statements should be evaluated together with the consolidated financial statements for the year ended December 31, 2015.

2.1.3 Functional and reporting currency

The items in the financial information of each company included in the condensed consolidated interim financial statements are measured using the currency applicable in the primary economic environment in which the entity operates ("functional currency"). The condensed consolidated interim financial statements are presented in Turkish lira ("TL"), the functional and reporting currency of Tümosan Engine and Tractor Industry Inc.

Note 2 - Basis of presentation of financial statements (continued)

2.1 Basis for presentation (continued)

2.1.4. Group companies

The financial positions and results of foreign operations that have a functional currency other than the reporting currency are translated into the reporting currency as follows:

- For each balance sheet presented, assets and liabilities are translated from the closing rate at the balance sheet date,
- Transactions for each income statement and statement of other comprehensive income are translated at average exchange rates at transaction dates (unless the cumulative effect of rates of the transaction dates is a reasonable estimate, in which case the income and expenses are translated on the transaction date),
- All resulting translation differences are recognised in the other comprehensive income.

2.2 New and Revised Turkish Accounting Standards

a) Standards in force as of March 31, 2016 and amendments and interpretations to existing and former standards:

- Amendment to TFRS 11 "Joint Arrangements": Acquisition of shares in joint operations is effective for annual periods beginning on or after 1 January 2016. The amendment in the standard clarifies how the share will be accounted for when a share is acquired in a joint operation that falls within the definition of the entity.

- The amendment to TAS 16 "property, plant and equipment" and TAS 41 "agricultural activities" on bearer plants applies to annual periods beginning on or after 1 January 2016. This amendment changes the financial reporting of plants such as grape vines, rubber trees, palm trees. Since fruit-bearing plants are similar to the use of tangible fixed assets in the production process, it has been decided to be accounted for in the same way as tangible fixed assets. Accordingly, the amendment excluded these plants from the scope of TAS 41 and brought them into scope of TAS 16. These plants will continue to be covered by TAS 41 during the growing period.

- Amendments to TAS 16 "property, plant and equipment" and TAS 38 "intangible assets" on depreciation and amortisation are effective for annual periods beginning on or after 1 January 2016. This amendment discloses that revenue-based methods are not appropriate when calculating the depreciation of an asset. This is because the revenue obtained as a result of an operation using an asset usually reflects factors that are different from the consumption of an asset's economic benefit. It is also disclosed that revenue is not an appropriate basis for the measurement of the consumption of an asset's economic benefit.

Note 2 - Basis of presentation of financial statements (continued)

- TFRS 14 "Regulatory deferral accounts" is effective for an entity's first annual TFRS financial statements that are for a period beginning on or after 1 January 2016. This amendment allows companies adopting TFRS for the first-time to avoid changes in accounting policies in respect of regulatory deferral accounts. However, in order to provide comparability with other companies that have previously applied TFRS and will not account for the related amount, it is required that the effect of the rate regulation be presented separately from other items.

- TAS 27 "Separate financial statements" applies to annual periods beginning on or after 1 January 2016. This amendments allows an entity to account for investments in subsidiaries, associates and joint ventures using the equity method.

- TFRS 10 "Consolidated financial statements" and TAS 28 "Investments in associates and joint ventures" applies to annual periods beginning on or after 1 January 2016. This amendment addresses a conflict between the requirements of TFRS and TAS 28 with respect to the sale or contribution of an asset between an investor and its associate or joint venture. The main outcome of this amendment is that when a transaction that constitutes a business occurs (whether the business is housed in a subsidiary or not), a full gain or loss arising from that transaction is recognised; if it is an asset purchase or sale [to an associate or joint venture], a part of the gain or loss arising from that transaction is recognised.

2.2 New and Revised Turkish Accounting Standards (continued)

- Annual Improvements 2014 is effective for annual periods beginning on or after 1 January 2016. Improvements have made amendments to 4 standards:

- TFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" - change in disposal methods
- TFRS 7 Financial Instruments: Disclosures" - amendment to servicing contracts in relation to TFRS 1
- TAS 19 "Employee Benefits" - amendment to reduction rates
- Amendment to TAS 34 "Interim financial reporting" - amendment to disclosure of information.

- TAS 1 "Presentation of Financial Statements" applies to annual periods beginning on or after 1 January 2016. These amendments aim to improve the presentation and disclosure of financial reports.

- TFRS 10 "Consolidated financial statements" and TAS 28 "Investments in associates and joint ventures" applies to annual periods beginning on or after 1 January 2016. These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries.

b) Standards and amendments published as of March 31, 2016 but not yet effective:

- TAS 7 "Cash flow statements" is effective for annual periods beginning on or after 1 January 2017. Improvements are a part of the 'disclosure initiative' project. The amendments were issued in the direction of investor requests to provide information about changes in companys' financial liabilities and to help better understand the changes in companys' liabilities. The amendment provides for better analysis of the effect of changes in liabilities on cash flows arising from financing activities and the effect of cash and non-cash changes (such as foreign exchange difference income and expenses).

- TAS 12 "Income taxes" is effective for annual periods beginning on or after 1 January 2017. The amendment clarifies the recognition of a deferred tax asset when an asset is measured at fair value and the fair value of the asset is below its taxable profit. It also clarifies some other aspects of accounting for deferred tax assets.

- TFRS 15 "Revenue from contracts with customers" applies to an annual reporting period beginning on or after 1 January 2018. The new standard that came up as a result of the harmonisation work done with US Acceptable Accounting Standards aims to provide for the financial reporting of revenue and worlwide comparability of the total income of financial statements.

- TFRS 9 "Financial instruments" is effective for annual reporting periods beginning on or after 1 January 2018. This standard replaces TAS 39. It comprises the requirements for the classification and measurement of financial assets and liabilities, as well as the expected credit risk model that will replace the actual impairment loss model currently being used.

- TFRS 16 "Leases" is effective for annual reporting periods beginning on or after 1 January 2019, with earlier application permitted as long as TFRS 15 is also applied. The new standard requires a lessee to recognise a lease liability that reflects future lease payments and a 'right-of-use asset' in return. In addition to this requirement, the IASB also provides an optional exception for lessees which only applies to short-term lease transactions and low-valued asset leases. Accounting for lessors remains substantially unchanged. As of the approval date of the financial statements, the following standards, interpretations and amendments have been published by the Public Oversight Accounting and Auditing Standards Authority as exposure draft for public comment:

- TFRS 9 "Financial instruments"
- TFRS 15 "Revenue from contracts with customers"

The Group will evaluate the effects of the above amendments on its operations and apply them from the effective date.

Note 3 - Reporting by Segments

The Group's management does not report financial information by segments because there are no different types of products and different geographical areas that require reporting by segments.

Note 4 - Cash and Cash Equivalent

	March 31, 2016	December 31, 2015
Cash	8,480	1,545

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Demand deposits in banks	1,731,900	238,233
Total	1,740,380	239,778

There are no time deposits as of March 31, 2016. (There are no time deposits as of December 31, 2015.)

Note 5 - Financial Payables

The interest and foreign exchange details of financial loans are as follows:

	March 31, 2016		December 31, 2015	
	Effective	TL	Effective	TL
	Interest Rate %	denominated Amount	Interest Rate %	denominated Amount
Short-term Loans				
- TL	12.00%- 15.25%	34,870,074	12.00%- 15.25%	32,735,374
Long-Term Loans				
- TL	-	2,793,697	-	-
Total Loans	-	37,663,771	-	32,735,374

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Note 6 - Trade Receivables and Payables

Trade Receivables

	March 31, 2016	December 31, 2015
Trade receivables	567,084	487,581
Postdated cheques and notes receivable	1,443,303	--
Trade Receivables from Related Parties	2,010,387	487,581
Trade receivables	45,201,605	57,088,940
Postdated cheques and notes receivable	54,422,209	56,957,190
- Less: Provision for doubtful receivables	(3,076,289)	(3,076,289)
Trade Receivables from Third Parties	96,547,525	110,969,841
Total	98,557,912	111,457,422

Trade Payables

	March 31, 2016	December 31, 2015
Trade Payables to Related Parties	7,183,292	891,848
Trade payables	33,639,166	33,958,963
Postdated cheques and notes payable	10,622,412	3,485,371
Trade Payables to Third Parties	44,261,578	37,444,334
Total	51,444,870	38,336,182

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Note 7 - Other Receivables and Payables Other**Receivables**

	March 31, 2016	December 31, 2015
Other Receivables from Related Parties (Note 24)	11,500,001	11,723,444
VAT Receivables	10,695,570	--
Other	163,712	191,176
Other Receivables From Third Parties	10,859,282	191,176
Total	22,359,283	11,914,620

Other Payables

	March 31, 2016	December 31, 2015
Other Payables to Related Parties (Note 24)	--	28, 176
Other	350,534	3,000
Other Payables to Third Parties	350,534	3,000
Total	350,534	31,176

Note 8 - Inventories

	March 31, 2016	December 31, 2015
Materials and spare parts	68,109,229	67,890,812
Work in process inventories	7,364,752	6,224,040
Finished goods inventories	30,839,224	8,077,305
Trade goods	1,211,517	3,118,799
Goods in transit	15,180,957	10,689,490
Other Inventories	2,573,101	20,731
Provision for inventories (-)	(2,055,744)	(2,055,744)
Total	123,223,036	93,965,433

As of March 31, 2016 and December 31, 2015, there are no pledges or mortgages on inventories.

Note 9 - Investment Property

	2016	2015
Net book value on January 1	2,015,172	2,093,781
Amortisation charges	(11,869)	(19,652)
Net book value at the end of the period	2,003,303	2,074,129
Period end		
Cost	2,373,804	2,373,804
Accumulated amortisation charges	(370,501)	(299,675)
Net book value	2,003,303	2,074,129

The Group's assessment and accounting policies for Investment Property are disclosed in the consolidated financial statements of December 31, 2015.

Note 10 - Tangible Fixed Assets

	March 31, 2016	31.03.2015
Net book value on January 1	93,484,854	93,225,099
Purchases	4,963,413	3,503,387
Outflows	(180,500)	(1,951)
Depreciation Expense for the Current Period	(2,491,263)	(2,639,710)
Net book value at the end of the period	95,776,504	94,086,825
Period end		
Cost	147,447,828	136,203,000
Accumulated Depreciation	(51,671,324)	(42,116,175)
Net book value	95,776,504	94,086,825

The Company does not have any capitalised financing cost on tangible fixed assets. There are no mortgages, guarantees and pledges on the Company's tangible fixed assets.

Note 11- Intangible Fixed Assets

	2016	2015
Net book value on January 1	25,789,580	12,660,443
Purchases	3,206,304	3,689,345
Amortisation charges	(1,847,380)	(895,040)
Net book value at the end of the period	27,148,504	15,454,748
Period end		
Cost	37,971,227	20,497,479
Accumulated amortisation charges	(10,822,723)	(5,042,731)
Net book value	27,148,504	15,454,748

There are no pledges or mortgages on the intangible fixed assets of the Group.

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Note 12 - Provisions, Contingent Assets and Contingent Liabilities

Debt Provisions

	March 31, 2016	December 31, 2015
Provision for warranties	6,483,452	6,043,373
Provision for lawsuits	406,837	406,837
Total	6,890,289	6,450,210

The movements of provision for warranty expenses over periods are as follows:

	March 31, 2016	December 31, 2015
Balance on January 1	6,043,373	5,845,270
Increase/decrease during the period	440,079	198,103
Total	6,483,452	6,043,373

Note 13 - Commitments

The Company's position for the guarantees, pledges and mortgages (GPM) as of March 31 and December 31, 2015 is as follows: GPMs given by the Company:

GPMs Given by the Company (in TL):	March 31, 2016	December 31, 2015
A. The Total Amount of GPMs Given on Behalf of its Own Legal Entity	12,000,001	3,132,657
B. The Total Amount of GPMs Given on Behalf of Companies Included in Full Consolidation	-	-
C. The Total Amount of GPMs Given on Behalf of Other 3rd parties for the Continuation of its Ordinary Business Operations (*)	568,317,734	568,317,734
D. The Total Amount of Other GPMs Given	-	-
i. The Total Amount of GPMs Given on Behalf of the Main Shareholder	-	-
ii. The Total Amount of GPMs Given on Behalf the Other Related Companies that Do Not Fall under Articles B and C	-	-
iii. The Total Amount of GPMs Given on Behalf of 3rd Parties that Do Not Fall under Article C Amount	-	-
Total	580,317,735	571,450,391

Details of GPMs in foreign currency are as follows (TL equivalents);

	March 31, 2016	December 31, 2015
Turkish lira	580,317,735	570,727,504
US dollar	--	722,887
Total	580,317,735	571,450,391

Note 13 - Commitments (continued)

(*) The Company and the Turkish Ziraat Bank (hereinafter the "Bank") signed an agreement on December 2010. According to this agreement, in the event the customer that has purchased the tractor which the Company sells through Tümosan's tractor vendors (Vendor) using credit via the Bank fails to repay the credit, the Bank has the right to request from the Company the difference between the income obtained from the forced sale of the tractor and the 75% of the insurable value determined by the Association of the Insurance and Reinsurance Companies of Turkey for the related tractor. However, the Company reflects the difference that the Bank will request from it to the relevant Vendor that has sold the tractor. Therefore, the liability is ultimately transferred to the Vendor although the guarantee mentioned above is a guarantee given to the Bank by the Company.

Note 14 - Provisions for Employee Benefits**Short-term Employee Benefits**

	March 31, 2016	December 31, 2015
Provision for unused vacations	879,804	826,860
Total	879,804	826,860

Long-Term Employee Benefits

	March 31, 2016	December 31, 2015
Provision for severance payments	3,658,863	3,343,451
Total	3,658,863	3,343,451

Pursuant to the existing Turkish Labour Law, the Company is obligated to make a certain amount of severance payment to the personnel, who has served at least for one year, that leaves work due to retirement or resignation or that is dismissed from work for reasons other than misconduct or that is obliged to leave work because of compulsory military service. The amount payable consists of one month's salary, which is limited to a maximum of TL 4,092 as of 31 March 2016 and TL 3,828 as of 31 December 2015, for each year of service. Based on the information gained from past experience, the Company has discounted the benefits gained by employees entitled to severance payments by using the government bond rates valid at the balance sheet date and reflected the discounted net values to the financial statements. Provision for severance payments is allocated by calculating the present value of the possible liability to be paid in case of the employees' retirement.

Accordingly, the actuarial assumptions used to calculate the liability as of March 31, 2016 and December 31, 2015 are as follows:

	<u>March 31, 2016</u>	<u>December 31, 2015</u>
Discount rate	11.50%	8.00%
Estimated wage increase rate	9.00%	6.50%
Net discount rate	2.29%	1.50%

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Note 14 - Provisions for Employee Benefits (continued)

	March 31, 2016	31.03.2015
Balance on January 1	3,343,451	2,808,016
Service cost	300,831	173,541
Interest expense	89,756	224,641
- Actuarial gain/loss	(21,170)	(200,431)
Payments	(54,005)	(316,396)
Period-end Balance	3,658,863	2,689,371

Note 15 - Liabilities for Employee Benefits

	March 31, 2016	December 31, 2015
Taxes and Liabilities Payable	709,556	848,464
Payables to Employees	1,778,345	746,931
Short-Term Provisions for Employee Benefits	2,487,901	1,595,395

Note 16 - Other Assets and Liabilities

	March 31, 2016	December 31, 2015
Deferred VAT	8,590,702	12,027,238
Other	157,284	78,937
Other Current Assets	8,747,986	12,106,175

Note 17 - Equity**A. Capital**

The Group's shareholders and their shares in the capital as of March 31, 2016 and December 31, 2015 are as follows:

Name/Title	March 31, 2016	December 31, 2015
	Share Rate %	Share Rate %
Ereğli Textile Tourism Industry and Trade Inc.	65.47	66.33
Muzaffer Albayrak	1.74	1.74
Ahmet Albayrak (son of Ahmet)	1.74	1.74
Bayram Albayrak	1.74	1.74
Nuri Albayrak	1.74	1.74
Kazım Albayrak	1.74	1.74
Mustafa Albayrak	1.74	1.74
Free-float portion	24.10	23.23
Total	100.00	100.00

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As of March 31, 2016 and December 2015, the Group's capital is fully paid up and consists of 115,000,000 shares with nominal value of TL 115,000,000 and TL 1 per share.

Note 18 - Sales and Cost of Sales**a. Statement of Sales and Cost of Sales**

	January 1- March 31, 2016	January 1- December 31, 2015
Domestic sales	104,902,058	93,782,130
Foreign sales	3,053,720	2,646,130
Other sales	656,758	--
Total revenue, net	108,612,536	96,428,260
Cost of sales	(77,660,682)	(75,678,819)
Gross Profit	30,951,854	20,749,441

b. Distribution of Sales by Product Groups (net)

	January 1- March 31, 2016	January 1- 31.03.2015
Tractor sales	98,527,037	92,260,720
Spare part sales	4,741,067	1,742,454
Other	5,344,432	2,425,086
Total sales	108,612,536	96,428,260

Note 19 - Operating Expenses

	January 1- March 31, 2016	January 1- 31.03.2015
Research and development expenses	936,958	857,384
Marketing, sales and distribution expenses	14,696,603	8,123,920
General administrative expenses	3,969,692	2,861,385
Total	19,603,253	11,842,689

Note 20 – Financial Income

	January 1- March 31, 2016	January 1- 31.03.2015
Interest income	657,446	396,521
Income from exchange differences	--	832,602
Other	--	29,251
Financial Income	657,446	1,229,123

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Note 21 - Financial Expenses

	January 1- March 31, 2016	January 1- 31.03.2015
Interest and commission expenses	997,949	1,016,510
Foreign exchange losses	-	520,095
Financial Expenses	997,949	1,536,605

Note 22 - Tax Assets and Liabilities**Tax Expenses**

	January 1- March 31, 2016	January 1- 31.03.2015
Corporate income tax for the current period	(2,664,620)	(2,367,497)
Deferred tax (income)/expense	366,000	385,424
Tax Expenses, Recognised in the Income Statement	(2,298,620)	(1,982,073)
Recognised in Other Comprehensive Income	(4,234)	(40,087)
Total Tax Expenses	(2,302,854)	(2,022,160)

Tax Reconciliation

	January 1- March 31, 2016		January 1- 31.03.2015	
Net Income for the Period	10,197,110		8,782,983	
Tax Expense for the Current Period:	(2,298,620)		(1,982,073)	
Profit Before Tax	12,495,730		10,765,056	
Corporate income tax calculated at the statutory rate	20%	(2,499,146)	20%	(2,153,011)
Tax-exempt income /(non-deductible expenses)	-2%	200,526	-2%	170,938
Total tax income/(expense) recognised in the income statement	18%	(2,298,620)	18%	(1,982,073)

Movement table of deferred tax liability

	2016	2015
Deferred Tax Assets/Liabilities as of January 1	(635,425)	(951,589)
Recognised in the Income Statement	366,000	385,424
Recognised in Other Comprehensive Income	(4,234)	(40,087)
Deferred Tax Assets/Liabilities as of 31 March	(273,659)	(606,252)

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Note 23 - Earnings per Share

Earnings per share is calculated by dividing the net income for the current period by the weighted average number of shares in issue during the period. In Turkey, companies are entitled to increase their capital through the distribution of bonus shares to be covered from the revaluation surplus fund or accumulated profits. In calculation of earnings per share, such increases are accepted as bonus issue. Dividend distributions added to capital are also considered in the same way. Therefore, when calculating the average number of shares, it is considered that such shares are in issue during the year. Thus, the weighted average number of the shares used to calculate the earnings per share has been determined taking into account retrospective effects.

	January 1- March 31, 2016	January 1- March 31, 2016
The weighted average number of shares outstanding during the period	115,000,000	115,000,000
(1 TL each) Net income for the period	10,197,110	8,782,983
Earning per share (TL)	0.0887	0.0764

Not 24 - Related Party Disclosures

The Group conducts various transactions with related parties during its operations. The details of outstanding balances with related parties are as follows:

a. Receivables/Payables from Related Parties:

March 31, 2016	Receivables		Payables	
	Short Term		Short Term	
Balances with related parties	Trade	non-trade	Trade	non-trade
Ereğli Textile Tourism Industry Trade Inc.	1,443,304	11,500,001	6,821,724	-
Albayrak Company Somali Mogadishuport Operation - Albayrak Tourism Travel Construstion Trade Inc. Branch	414,113	-	-	-
Kademe Waste Technologies Industry Inc.	2,324	-	270,019	-
Other	150,646	-	91,549	-
	2,010,387	11,500,001	7,183,292	-
December 31, 2015				
Ereğli Textile Tourism Industry Trade Inc.	-	11,723,187	-	-
Albil Central Services Inc.	-	-	719,322	-
Albayrak Company Somali Mogadishuport Operation - Albayrak Tourism Travel Construstion Trade Inc. Branch	424,957	-	-	-
Other	62,624	257	172,526	28,176
	487,581	11,723,444	891,848	28,176

As of December 31, 2016 and December 31, 2015, there is no guarantee obtained from and/or given to related parties.

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Not 24 - Related Party Disclosures (contd)**b. Transactions Made with Related Parties During the Year:*****Services and Other Purchases***

	January 1- March 31, 2016	January 1- 31.03.2015
Albil Central Services and Trade Inc.	1,292,075	530,900
Kademe Waste Technologies Industry Inc.	677,343	232,454
Platform Tourism Transport Food Construction Cleaning Services Industry and Trade Inc.	11,100	11,100

Sales and Other Income

	January 1 - March 31, 2016				January 1 - March 31, 2015		
	Revenue	Interest	Rent	Other	Interest	Rent	Other
Albayrak Tourism Travel Construction Trade Inc.					45,543	116,180	
Albayrak Company Somali							
Mogadishuport Operation - Albayrak Tourism Travel Construction Trade Inc. Branch		-	-		-	-	214,404
Nakil Logistics Inc.		-	-	-	-	60	4,507,604
Ereğli Textile Tourism Industry and Trade Inc.		495,139	1,500	53,337	243,777	1,271	250
Kademe Waste Technologies Industry Inc.	286,894	-	31,271	-	1,329	31,271	26,508
Varaka Paper Industry Trade Inc.	150,646						

Benefits Provided to the Top Management

As of March 31, 2016, the total amount of benefits and advantages provided to the top management is TL 230,779 (March 31, 2015 - TL 250,098).

Note 25 - Financial Risk Management and Policies

The Group's major financial instruments consist of bank loans, finance lease liabilities, factoring liabilities, cash and short-term deposits. The main purpose of the financial instruments is to finance the activities of the Group. The Group also has financial instruments such as trade receivables and payables which arise as a result of its activities. The main risks which the Group's financial instruments generate are interest rate risk, foreign currency risk, credit risk and liquidity risk. The management's policies regarding the management of these risks are summarized below. The Group also takes into account the market-value risk of all its financial instruments.

Capital Management

The Group aims to increase its profitability in capital management by trying to maintain the continuity of its activities on the one hand and using the debt and equity balance in the most efficient way on the other hand. The Group's capital structure consists of payables, cash and cash equivalents and equity items, which comprise issued capital, capital reserves and profit reserves, as disclosed in Note 19. The Group's top management assesses the capital cost of the Group and the risk inherent in each capital class. Based on the assessments of the top management and of the Board of Management, the Group intends to keep the capital structure stable by acquiring new debt or repaying existing debt. The Group monitors the capital using the debt/equity ratio. This ratio is calculated by dividing net debt by total equity. Net debt is calculated by deducting cash and cash equivalents from total debt (which comprises financial payables, trade and other payables and other short- and long-term liabilities as shown in the balance sheet).

	March 31, 2016	December 31, 2015
Total debt	107,363,198	90,839,539
Less: Cash and cash equivalents	(1,740,380)	(239,778)
Net Debt	105,622,818	90,599,761
Total equity	272,753,345	262,539,299
Debt - Equity Balance	167,130,527	171,939,538
Net Financial Liability/Equity Ratio	39%	35%

Interest Rate Risk

As of March 31, 2016 and December 31, 2015, the Group does not carry any interest rate risk since it has no variable interest rate loans.

Foreign Currency Risk

The Group is exposed principally to currency risk in respect of the euro and US dollar and this currency risk arises in general from trade receivables, trade payables and financial payables in the euro and US dollar. In order to minimise this risk, the Group monitors its financial position, cash inflows/outflows with detailed cash-flow statements.

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Note 25 - Financial Risk Management and Policies (continued)

STATEMENT OF FOREIGN- EXCHANGE POSITION							
	March 31, 2016						
	US dollar	TL Equivalent	Euro	TL Equivalent	GBP	TL Equivalent	Total TL equivalent
- Cash and cash equivalents	12	33	32,057	102,842	--	--	102,875
- Trade receivables	611,906	1,733,774	886,883	2,845,209	--	--	4,578,984
- Other current assets	16,828	47,680	21,944	70,399	51,202	208,730	326,809
Current Assets	628,746	1,781,488	940,884	3,018,450	51,202	208,730	5,008,668
Total Assets	628,746	1,781,488	940,884	3,018,450	51,202	208,730	5,008,668
- Trade payables	933,732	2,645,636	3,214,948	10,313,875	--	--	12,959,511
- Short-term financial payables	--	--	--	--	--	--	--
Short-term Liabilities	933,732	2,645,636	3,214,948	10,313,875	--	--	12,959,511
Total Liabilities	933,732	2,645,636	3,214,948	10,313,875	--	--	12,959,511
Net Foreign-Currency Position	(304,986)	(864,148)	(2,274,064)	(7,295,425)	51,202	208,730	(7,950,843)

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Note 25 - Financial Risk Management and Policies (continued)

STATEMENT OF FOREIGN- EXCHANGE POSITION							
	December 31, 2015						
	US dollar	TL Equivalent	Euro	TL Equivalent	GBP	TL Equivalent	Total TL equivalent
- Cash and cash equivalents	-	-	1,109	3,525	-	-	3,525
- Trade receivables	145,655	423,506	907,860	2,884,815	-	-	3,308,321
- Other current assets	66,893	194,497	168,019	533,897	1,816	7,809	736,203
Current Assets	212,548	618,003	1,076,988	3,422,237	1,816	7,809	4,048,049
Total Assets	212,548	618,003	1,076,988	3,422,237	1,816	7,809	4,048,049
- Trade payables	(2,840,917)	(8,260,250)	(694,256)	(2,206,067)	-	-	(10,466,317)
- Short-term financial payables	-	-	35,000	111,216	-	-	111,216
Short-term Liabilities	(2,840,917)	(8,260,250)	(659,256)	(2,094,851)	-	-	(10,355,101)
Total Liabilities	(2,840,917)	(8,260,250)	(659,256)	(2,094,851)	-	-	(10,355,101)
Net Foreign-Currency Position	(2,628,369)	(7,642,247)	417,732	1,327,386	1,816	7,809	(6,307,052)

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Note 25 - Financial Risk Management and Policies (continued)

In the profit/loss segment of the foreign currency sensitivity statement, it is presented how the statement of comprehensive income will be affected if the TL gains/loses 10% against the following foreign currencies as of March 31, 2016 and December 31, 2015. When analyzing, it is assumed that all other variables, especially the interest rates, remain constant.

The Group's exchange rate sensitivity analysis statement as of March 31, 2016 and December 31, 2015 is as follows:

	March 31, 2016	
	Profit/(loss)	
	Appreciation of the foreign currency	Depreciation of the foreign currency
<i>If the US dollar appreciates/depreciates 10% against the Turkish lira</i>		
1- Income/(loss) arising from US dollar-denominated net asset/(liability)	(86,415)	86,415
2- Hedged amount from US dollar risk (-)	-	-
Net effect of the US dollar	(86,415)	86,415
<i>If the euro appreciates/depreciates 10% against the Turkish lira</i>		
3- Income/(loss) arising from euro-denominated net asset/(liability)	(729,542)	729,542
4- Hedged amount from euro risk (-)	-	-
Net effect of the euro	(729,542)	729,542
<i>If other foreign currencies appreciate/depreciate 10% against the Turkish lira</i>		
5- Income/(loss) arising from other net asset/(liability)	20,873	(20,873)
6- Hedged amount from other foreign-currency risk (-)	-	-
Net effect of other foreign currencies	20,873	(20,873)
TOTAL NET EFFECT	(795,084)	795,084

Note 25 - Financial Risk Management and Policies (continued)

	December 31, 2015	
	Profit/(loss)	
	Appreciation of the foreign currency	Depreciation of the foreign currency
<i>If the US dollar appreciates/depreciates 10% against the Turkish lira</i>		
1- Income/(loss) arising from US dollar net asset/(liability)	(764,225)	764,225
2- Hedged amount from US dollar risk (-)	-	-
Net effect of the US dollar	(764,225)	764,225
<i>If the euro appreciates/depreciates 10% against the Turkish lira</i>		
3- Income/(loss) arising from euro-denominated net asset/(liability)	110,495	(110,495)
4- Hedged amount from euro risk (-)	-	-
Net effect of the euro	110,495	(110,495)
<i>If the British pound sterling appreciates/depreciates 10% against the Turkish lira</i>		
5- Income/(loss) arising from pound sterling net asset/(liability)	781	(781)
6- Hedged amount from pound sterling risk (-)	-	-
Net effect of the British pound sterling	781	(781)
TOTAL NET EFFECT	(652,949)	652,949

Note 26 - Events After the Balance Sheet Date

None