

(Convenience translation of financial statements originally issued in Turkish)

## **Ford Otomotiv Sanayi A.Ş.**

**Financial statements for the period ended 31,  
March 2013**

(Convenience translation of financial statements originally issued in Turkish)

**Ford Otomotiv Sanayi A.Ş.**

**Balance sheet as of March 31, 2013**

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

		(Current Period Unaudited) March 31, 2013	(Restated) (Current Period Audited) December 31, 2012
	Notes		
<b>Assets</b>			
<b>Current assets</b>		<b>2,644,599,336</b>	<b>2,438,262,072</b>
Cash and cash equivalents	4	456,536,238	301,518,353
Trade receivables			
- Due from related parties	26	697,309,465	752,478,555
- Other trade receivables	7	304,351,619	478,607,642
Other receivables	8	4,651,211	4,552,464
Inventories	9	977,909,285	726,816,032
Other current assets	16	203,841,518	174,289,026
<b>Non-current assets</b>		<b>2,466,774,409</b>	<b>2,208,855,227</b>
Trade receivables	7	412,238	537,623
Financial assets	5	8,049,303	5,961,405
Property, plant and equipment	10	1,639,865,814	1,556,458,799
Intangible assets	11	280,698,019	238,360,675
Deferred tax asset	24	128,691,772	83,167,885
Other non-current assets	16	409,057,263	324,368,840
<b>Total assets</b>		<b>5,111,373,745</b>	<b>4,647,117,299</b>

The financial statements were approved for issue by the Board of Directors on April 26, 2013 and signed on behalf of the Board of Directors by Oğuz Toprakoğlu, Assistant General Manager – Chief Financial Officer ("CFO") and Devrim Kılıçoğlu, Finance and Accounting Director.

The accompanying notes form an integral part of these financial statements

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**Ford Otomotiv Sanayi A.Ş.**

**Balance sheet as of March 31, 2013**

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

		(Current Period Unaudited) March 31, 2013	(restated) (Current Period Audited) December 31, 2012
	Notes		
<b>Liabilities</b>			
<b>Current liabilities</b>		<b>2,219,938,689</b>	<b>1,645,719,792</b>
Financial liabilities	6	<b>357,981,339</b>	363,516,248
Trade payables			
- Due to related parties – trade	26	<b>421,130,801</b>	292,778,669
- Other trade payables	7	<b>847,322,746</b>	807,166,340
Other payables			
- Due to related parties – non-trade	26	<b>302,969,508</b>	1,449,061
- Other payables	8	<b>233,131,015</b>	119,388,850
Provision for employee benefits	15	<b>14,986,800</b>	12,664,421
Current income tax payable	24	<b>4,429,016</b>	7,741,631
Provisions	13	<b>37,987,464</b>	41,014,572
<b>Non-current liabilities</b>		<b>1,018,020,134</b>	<b>1,005,732,672</b>
Financial liabilities	6	<b>905,690,580</b>	896,037,316
Provision for employee benefits	15	<b>78,583,482</b>	72,876,906
Provisions	13	<b>32,188,283</b>	35,134,545
Derivative financial instruments	28	<b>1,557,789</b>	1,683,905
<b>Equity</b>	17	<b>1,873,414,922</b>	<b>1,995,664,835</b>
<b>Equity attributable to the equity holders of the Company</b>	17	<b>1,873,414,922</b>	<b>1,995,664,835</b>
Share capital		<b>350,910,000</b>	350,910,000
Inflation adjustment to share capital		<b>27,920,283</b>	27,920,283
Share premium		<b>8,252</b>	8,252
Valuation funds		<b>6,718,622</b>	4,712,623
Cash flow hedge fund		<b>(1,007,433)</b>	(1,298,245)
Restricted reserves		<b>460,680,315</b>	432,432,060
Retained earnings		<b>852,114,767</b>	493,372,766
Net income for the period		<b>176,070,116</b>	687,607,096
<b>Total equity and liabilities</b>		<b>5,111,373,745</b>	<b>4,647,117,299</b>

The accompanying notes form an integral part of these financial statements

(Convenience translation of financial statements originally issued in Turkish)

Ford Otomotiv Sanayi A.Ş.

Statement of income for the period ended March 31, 2013

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

		Current Period Unaudited March 31, 2013	(Restated) Prior Period Unaudited March 31, 2012
	Notes		
<b>Continuing operations</b>			
Sales	18	2,570,527,106	2,409,285,038
Cost of sales	18	(2,315,239,706)	(2,145,950,193)
<b>Gross profit</b>		<b>255,287,400</b>	<b>263,334,845</b>
Sales and marketing expenses	19	(57,981,756)	(51,084,905)
General administrative expenses	19	(33,503,947)	(36,004,398)
Research and development expenses	19	(30,822,010)	(28,386,893)
Other operating income	21	6,348,397	7,838,687
Other operating expenses	21	(428,620)	(412,889)
<b>Operating profit</b>		<b>138,899,464</b>	<b>155,284,447</b>
Financial income	22	40,512,986	97,898,714
Financial expenses	23	(44,444,610)	(93,782,345)
<b>Income before tax from continuing operations</b>		<b>134,967,840</b>	<b>159,400,816</b>
<b>Tax income/(expense) from continuing operations</b>		<b>41,102,276</b>	<b>5,507,314</b>
- Current taxes on income	24	(4,429,016)	(30,402,224)
- Deferred tax income	24	45,531,292	35,909,538
<b>Net income for the period</b>		<b>176,070,116</b>	<b>164,908,130</b>
<b>Earnings per share with a nominal value of Kr 1</b>	25	<b>0.50</b>	<b>0.47</b>

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**Ford Otomotiv Sanayi A.Ş.**

**Statement of comprehensive income for the period ended March 31, 2013**

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

		<b>Current Period Unaudited March 31, 2013</b>	<i>(Restated)</i> Prior Period Unaudited March 31, 2012
	<b>Notes</b>		
<b>Net income for the period</b>		<b>176,070,116</b>	164,908,130
<b>Other comprehensive income</b>			
Change in revaluation funds of financial assets, after tax	17	<b>2,005,999</b>	587,704
Accumulated profit / (loss) from cash flow hedge, after tax	17	<b>290,812</b>	(268,872)
Actuarial (loss) / gain from defined benefit plans, after tax	17	<b>(588,790)</b>	1,414,644
<b>Other comprehensive income (after tax)</b>		<b>1,708,021</b>	1,733,476
<b>Total comprehensive income</b>		<b>177,778,137</b>	166,641,606

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**Ford Otomotiv Sanayi A.Ş.**

**Statement of changes in equity for the period ended March 31, 2013**

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

	Share capital	Inflation adjustment to share capital	Share premium	Valuation funds	Hedge reserves	Restricted reserves	Retained earnings	Total equity
Balance at January 1, 2012	350,910,000	27,920,283	8,252	2,335,091	(345,806)	390,964,519	1,126,426,144	1,898,218,483
Net Income	-	-	-	-	-	-	164,908,130	164,908,130
Total comprehensive income / (loss)	-	-	-	587,704	(268,872)	-	1,414,644	1,733,476
Total comprehensive income (net of deferred tax)	-	-	-	587,704	(268,872)	-	166,322,774	166,641,606
Transfers	-	-	-	-	-	33,336,450	(33,336,450)	-
Dividends paid (Note 17)	-	-	-	-	-	-	(350,910,000)	(350,910,000)
Balance at March 31, 2012	350,910,000	27,920,283	8,252	2,922,795	(614,678)	424,300,969	908,502,468	1,713,950,089
<b>Balance at January 1, 2013</b>	<b>350,910,000</b>	<b>27,920,283</b>	<b>8,252</b>	<b>4,712,623</b>	<b>(1,298,245)</b>	<b>432,432,060</b>	<b>1,180,979,862</b>	<b>1,995,664,835</b>
Net Income	-	-	-	-	-	-	176,070,116	176,070,116
Total comprehensive income / (loss)	-	-	-	2,005,999	290,812	-	(588,790)	1,708,021
Total comprehensive income (net of deferred tax)	-	-	-	2,005,999	290,812	-	175,481,326	177,778,137
Transfers	-	-	-	-	-	28,248,255	(28,248,255)	-
Dividends paid (Note 17)	-	-	-	-	-	-	(300,028,050)	(300,028,050)
<b>Balance at March 31, 2013</b>	<b>350,910,000</b>	<b>27,920,283</b>	<b>8,252</b>	<b>6,718,622</b>	<b>(1,007,433)</b>	<b>460,680,315</b>	<b>1,028,184,883</b>	<b>1,873,414,922</b>

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**Ford Otomotiv Sanayi A.Ş.**

**Statement of cash flows for the period ended March 31, 2013**

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

	Notes	Current Period Unaudited March 31, 2013	(Restated) Prior Period Unaudited March 31, 2012
<b>Cash flows from operating activities:</b>			
<b>Net income before tax</b>		<b>134,967,840</b>	159,400,816
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>			
Depreciation	10	40,598,218	31,312,943
Amortization	11	2,963,195	5,156,263
Provision for employee benefits	15	6,948,122	7,079,090
Warranty expense provision	13	11,207,530	12,564,524
Interest income	22	(2,195,456)	(12,282,799)
Interest expense	23	4,520,061	2,883,885
Foreign exchange (income) incurred from borrowings		(7,376,266)	(28,159,372)
Provisions no longer required		3,158,002	5,972,844
Loss / (gain) on sale of fixed assets	21	69,470	(959,149)
Dividend income	21	-	(281,198)
Unrealized amount on derivative instruments		237,398	(29,436)
<b>Net operating profit before changes in operating assets and liabilities</b>		<b>195,098,114</b>	182,658,411
Decrease in accounts receivable		229,425,113	266,216,842
(Increase) in inventories		(251,086,009)	(107,029,063)
(Increase) in other current assets		(29,651,239)	(53,129,667)
Increase / (decrease) in accounts payable		168,508,538	(194,253,144)
Increase in other current liabilities		409,843,332	414,857,541
Income tax paid		-	(7,500,054)
Warranty expenses paid	13	(17,856,960)	(14,306,290)
Employee benefits paid	15	(1,977,534)	(1,616,029)
<b>Net cash generated from operating activities</b>		<b>702,303,355</b>	485,898,547
<b>Cash flows used in investing activities:</b>			
Purchase of property, plant and equipment	10	(124,005,233)	(73,662,175)
Purchase of intangible assets	11	(45,300,539)	(351,925)
Proceeds from sale of property, plant and equipment		(69,470)	1,365,497
(Increase) in other non-current assets		(84,563,038)	(49,837,156)
Interest received		1,896,804	10,895,088
Dividends received	21	-	281,198
<b>Net cash used in investing activities</b>		<b>(252,041,476)</b>	(111,309,473)
<b>Cash flows from financing activities:</b>			
Interest paid		(2,944,170)	(1,878,241)
Dividends to be paid	17	(300,028,050)	(350,910,000)
Proceeds from borrowings		118,715,138	32,552,321
Payments of borrowings		(110,986,912)	(13,968,480)
<b>Net cash used in financing activities</b>		<b>(295,243,994)</b>	(334,204,400)
<b>Net increase in cash and cash equivalents</b>		<b>155,017,885</b>	40,384,674
<b>Beginning balance of cash and cash equivalents</b>	4	<b>301,518,353</b>	808,849,078
<b>Ending balance of cash and cash equivalents</b>	4	<b>456,536,238</b>	849,233,752

The accompanying notes form an integral part of these financial statements