

**MENDERES TEKSTİL SANAYİ VE TİCARET A.Ş.  
CONSOLIDATED FINANCIAL STATEMENTS  
AND AUDITOR'S REVIEW REPORT  
FOR THE INTERIM PERIOD ENDED AT 30 SEPTEMBER 2015**

## **MENDERES TEKSTİL SANAYİ VE TİCARET A.Ş.**

### **CONTENTS**

Consolidated Financial Statements  
Consolidated Income Statements And Other Comprehensive Income Statements  
Consolidated Changes in Shareholder's Equity Statements  
Consolidated Statements Of Cash Flows  
Notes To The Consolidated Financial Statements

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**CONSOLIDATED BALANCE SHEETS**  
**AS OF 30 SEPTEMBER 2015 AND 31 DECEMBER 2014**  
(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

	Footnote References	<i>Unreviewed</i>	<i>Audited</i>
		Current Period 30.09.2015	Prior Period 31.12.2014
<b>ASSETS</b>			
<b>Current Assets</b>		<b>477,992,310</b>	<b>487,021,178</b>
Cash and Cash Equivalents	4	59,104,561	124,275,728
Financial Investments	5	11,973,474	4,809,201
<b>Trade Receivables</b>		<b>58,296,453</b>	<b>41,173,630</b>
<i>Trade Receivables from Related Parties</i>	6-7	9,085,297	1,707,631
<i>Trade Receivables from Third Parties</i>	7	49,211,156	39,465,999
<b>Other Receivables</b>		<b>115,330,732</b>	<b>96,142,159</b>
<i>Other Receivables from Related Parties</i>	6-9	106,630,147	92,269,614
<i>Other Receivables from Third Parties</i>	9	8,700,585	3,872,545
Derivative Financial Instruments	10	238,999	1,614,300
Inventories	11	210,647,899	188,413,621
Biological Assets	12	3,447,677	4,449,108
Prepaid Expenses	13	1,920,400	4,600,265
Assets Related to Current Year Tax	14	228,442	5,404,563
Other Current Assets	21	16,803,673	16,138,603
<b>Non-Current Assets</b>		<b>307,029,564</b>	<b>284,436,721</b>
Other Receivables	9	66,177	26,184
Investments Valued by Equity Method	15	127,968,247	119,612,639
Tangible Assets	16	153,301,891	155,713,214
Intangible Assets	17	166,860	87,772
Prepaid Expenses	13	466,987	441,521
Deferred Tax Assets	28	25,059,402	8,555,391
<b>TOTAL ASSETS</b>		<b>785,021,874</b>	<b>771,457,899</b>
<b>LIABILITIES</b>			
<b>Short Term Liabilities</b>		<b>431,416,193</b>	<b>360,326,896</b>
Short Term Borrowings	8	276,112,533	200,122,976
Current Installments of Long Term Borrowings	8	28,838,263	16,574,898
<b>Trade Payables</b>		<b>88,221,948</b>	<b>99,694,152</b>
<i>Trade Payables to Related Parties</i>	6-7	4,963,807	5,179,201
<i>Trade Payables to Third Parties</i>	7	83,258,141	94,514,951
Employee Benefit Liabilities	20	5,564,372	5,718,780
<b>Other Payables</b>		<b>2,386,167</b>	<b>2,001,908</b>
<i>Other Payables to Related Parties</i>	6-9	872,916	159,750
<i>Other Payables to Third Parties</i>	9	1,513,251	1,842,158
Derivative Financial Instruments	10	3,614,650	79,825
Deferred Income	13	25,210,180	30,620,959
Tax Liabilities of Period Profit	28	-	4,000,888
<b>Short Term Provisions</b>		<b>1,468,080</b>	<b>1,512,510</b>
- <i>Short Term Employee Benefits</i>	19	1,161,239	1,252,310
- <i>Short Term Other Provisions</i>	19	306,841	260,200
<b>Long Term Liabilities</b>		<b>90,072,689</b>	<b>88,208,574</b>
Long Term Borrowings	8	70,672,709	77,875,416
Long Term Provisions for Employee Benefits	19	18,385,742	9,612,627
Deferred Tax Liability	28	1,014,238	720,531
<b>Equity</b>		<b>263,532,992</b>	<b>322,922,429</b>
<b>Parent Company's Equity</b>		<b>262,159,976</b>	<b>321,009,662</b>
Paid in Capital	22.1	250,000,000	250,000,000
Inflation Adjustments to Paid in Capital	22.2	485,133	485,133
Other comprehensive income/(expense) not to be reclassified to profit or loss			
<i>Actuarial gain/loss arising from retirement benefits</i>	22.3	(5,893,381)	(1,181,579)
Restricted Reserves	22.4	10,209,777	9,754,762
Retained Earnings / Losses	22.5	61,496,331	36,482,865
Net Income / Loss for the Period		(54,137,884)	25,468,481
<b>Minority Interest</b>	22.6	<b>1,373,016</b>	<b>1,912,767</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>785,021,874</b>	<b>771,457,899</b>

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

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME STATEMENTS**  
**FOR THE PERIOD OF 30 SEPTEMBER 2015 AND 2014**  
(Currency - Turkish Lira "TRY" unless expressed otherwise.)

	Footnote References	<i>Unreviewed</i> Current Period 01.01- 30.09.2015	<i>Unreviewed</i> Prior Period 01.01- 30.09.2014	<i>Unreviewed</i> Prior Period 01.07- 30.09.2015	<i>Unreviewed</i> Prior Period 01.07- 30.09.2014
Revenue	23.1	420,423,714	447,705,554	208,147,407	191,713,068
Cost of sales (-)	23.2	(372,224,778)	(386,899,958)	(174,356,466)	(181,242,678)
<b>Gross profit / (Loss)</b>		<b>48,198,936</b>	<b>60,805,596</b>	<b>33,790,941</b>	<b>10,470,390</b>
General Administrative Expenses (-)	24.2	(8,546,036)	(4,571,487)	(2,328,699)	(1,573,895)
Marketing Expenses (-)	24.1	(10,410,337)	(11,360,225)	(4,252,740)	(4,408,830)
Other Operating Income	25.1	12,043,162	19,896,612	5,956,860	8,936,749
Other Operating Expenses (-)	25.2	(37,562,525)	(23,953,359)	(24,169,457)	(10,688,983)
<b>Operating Profit / (Loss)</b>		<b>3,723,200</b>	<b>40,817,137</b>	<b>8,996,905</b>	<b>2,735,431</b>
Income from Investment Activities	26.1	442,687	389,884	111,749	208,664
Expense from Investment Activities (-)	26.3	-	(69,179)	-	(64,679)
Shares of Profit/(Loss) from Investments Evaluated by Equity Pick-up Method	26.2	8,355,608	6,940,159	450,064	1,944,150
<b>Operating Activity Profit/(Loss) Before Financial Expense</b>		<b>12,521,495</b>	<b>48,078,001</b>	<b>9,558,718</b>	<b>4,823,566</b>
Financial Income	27.1	25,840,244	37,510,154	9,190,176	11,351,107
Financial Expenses (-)	27.2	(108,071,730)	(54,453,616)	(58,906,440)	(26,063,551)
<b>Operating Activity Profit/(Loss) Before Taxation</b>		<b>(69,709,991)</b>	<b>31,134,539</b>	<b>(40,157,546)</b>	<b>(9,888,878)</b>
<b>Operating Activity Tax Income/(Expense)</b>					
Current Tax Income/(Expense)	28	-	(4,392,617)	-	892,986
Deferred Tax Income/(Expense)	28	15,032,356	(2,372,757)	8,665,015	983,432
<b>Current Period Operating Activity Profit / (Loss)</b>		<b>(54,677,635)</b>	<b>24,369,165</b>	<b>(31,492,531)</b>	<b>(8,012,460)</b>
<b>Profit/(Loss) for the Period</b>		<b>(54,677,635)</b>	<b>24,369,165</b>	<b>(31,492,531)</b>	<b>(8,012,460)</b>
<b>Distribution of the Period Income/Loss</b>					
Minority Interest	22.6	(539,751)	(735,714)	(231,339)	(631,692)
Parent Company's Shares		(54,137,884)	25,104,879	(31,261,192)	(7,380,768)
<b>Earnings Per Share</b>	<b>29</b>	<b>(0.2187)</b>	<b>0.0975</b>	<b>(0.1260)</b>	<b>(0.0320)</b>
<b>Other Comprehensive Income:</b>					
<b>Income (Expenses) not to be Reclassified on Profit or Loss</b>					
- Actuarial Gain/Loss Arising from Retirement Benefits		(5,889,752)	(2,570,193)	(2,372,880)	(731,548)
- Deferred Tax Income / (Expense)		1,177,950	514,039	474,576	146,309
<b>Other Comprehensive Income</b>		<b>(4,711,802)</b>	<b>(2,056,154)</b>	<b>(1,898,304)</b>	<b>(585,239)</b>
<b>Total Comprehensive Income/(Expense)</b>		<b>(59,389,437)</b>	<b>22,313,011</b>	<b>(33,390,835)</b>	<b>(8,597,699)</b>
<b>Distribution of Total Comprehensive Income</b>					
Minority Interest		(539,751)	(735,714)	(231,339)	(631,692)
Parent Company's Shares		(58,849,686)	23,048,725	(33,159,496)	(7,966,007)

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

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**STATEMENT OF CONSOLIDATED CHANGES IN SHAREHOLDER'S EQUITY FOR THE PERIOD OF 01 JANUARY - 30 SEPTEMBER 2015 AND 2014**  
(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

	Footnote References	Paid in Capital	Inflation Adjustment To Paid In Capital	Other Comprehensive Income/(Loss) Not To Be Reclassified On Profit Or Loss	Income (Expenses) To Be Reclassified On Profit Or Loss	Retained Profits			Parent Company's Equity	Minority Interests	Total Equity
				Actuarial Gain/Loss Arising From Employee Benefits	Foreign Currency Translation Difference	Restricted reserves	Accumulated Profit/Loss	Net Profit/Loss Of The Period			
<b>Balances as at 01.01.2014</b>	22	250,000,000	485,133	(319,081)	(1,091,445)	8,507,915	12,010,490	25,713,140	295,306,152	2,146,062	297,452,214
Transfers	22	-	-	-	1,091,445	1,246,847	24,466,293	(25,713,140)	1,091,445	255,594	1,347,039
Total Comprehensive Income/Loss	22	-	-	(2,056,154)	-	-	-	25,104,879	23,048,725	(735,714)	22,313,011
<b>Balances as at 30.09.2014</b>	22	250,000,000	485,133	(2,375,235)	-	9,754,762	36,476,783	25,104,879	319,446,322	1,665,942	321,112,264
<b>Balances as at 01.01.2015</b>	22	250,000,000	485,133	(1,181,579)	-	9,754,762	36,482,865	25,468,481	321,009,662	1,912,767	322,922,429
Transfers	22	-	-	-	-	455,015	25,013,466	(25,468,481)	-	-	-
Total Comprehensive Income/Loss	22	-	-	(4,711,802)	-	-	-	(54,137,884)	(58,849,686)	(539,751)	(59,389,437)
<b>Balances as at 30.09.2015</b>	22	250,000,000	485,133	(5,893,381)	-	10,209,777	61,496,331	(54,137,884)	262,159,976	1,373,016	263,532,992

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

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD OF 01 JANUARY - 30 SEPTEMBER 2015 AND 2014**  
(Currency - Turkish Lira "TRY" unless expressed otherwise.)

	Footnote References	<i>Unreviewed</i> Current Period 01.01- 30.09.2015	<i>Unreviewed</i> Prior Period 01.01- 30.09.2014
<b>A. CASH FLOWS FROM THE OPERATING ACTIVITIES</b>			
<b>Profit/Loss for the period before taxation</b>		<b>(137,673,342)</b>	<b>(38,292,519)</b>
<b>Profit/Loss for the period before taxation</b>		<b>(69,709,991)</b>	<b>31,134,539</b>
Adjustment for Depreciation, Amortisation Expenses	16-17	13,437,955	11,633,305
Adjustment for Employee Termination Benefits	19-24.2	4,061,313	2,566,401
Adjustments Related to the Provisions	19	(44,430)	176,379
Adjustment for Interest Income and Expense	8-27	2,352,446	1,762,777
Rediscount on Receivables	25.1	843,938	1,220,738
Rediscount on Payables	25.2	(1,198,069)	(1,290,227)
<b>Changes in the Company Capital</b>			
Adjustments for Increase/Decrease in Financial Assets	5	(7,164,273)	(7,120,706)
Adjustments for Increase/Decrease in Trade Receivables	7	(17,966,761)	7,329,981
Adjustments for Increase/Decrease in Inventories	11	(22,234,278)	(72,527,443)
Adjustments Related to the Increase/Decrease in Biological Assets	12	1,001,431	727,589
Adjustments for Increase/Decrease in Other Receivables Related to the Operations	9	(19,228,566)	(47,691,608)
Prepaid Expenses	13	2,654,399	2,173,102
Other Assets	14-21	4,511,051	(6,881,715)
Adjustments for Increase/Decrease in Trade Payables	7	(10,274,135)	31,497,345
Adjustments for Increase/Decrease in Other Payables Related with Operations	9-13-20	(5,180,928)	22,271,836
Change in Investments Valued by Equity Method	15	(8,355,608)	(6,940,159)
Other Cash Entrance/Disposal	22	(1,177,948)	(1,847,552)
<b>Cash Flow Provided by Operating Activities</b>			
Tax Payments>Returns	28	(4,000,888)	(6,487,101)
<b>B. NET CASH FLOW PROVIDED BY INVESTMENT ACTIVITIES</b>			
<b>NET CASH FLOW PROVIDED BY INVESTMENT ACTIVITIES</b>			
Proceeds from Sale of Property, Plant, Equipment and Intangible Assets	16-17	138,910	520,341
Proceeds from Purchase of Property, Plant, Equipment and Intangible Assets	16-17	(11,244,630)	(32,954,376)
<b>C. NET CASH FLOW PROVIDED BY FINANCIAL ACTIVITIES</b>			
<b>NET CASH FLOW PROVIDED BY FINANCIAL ACTIVITIES</b>			
Cash Inflows/Outflows from Financial Liabilities	8	80,519,159	102,165,457
Cash Outflows from Finance Leases	8	(1,821,390)	(134,867)
Loss/Gain on Derivative Financial Instruments	10-27	4,910,126	(7,322,677)
<b>BEFORE THE IMPACT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS NET INCREASE/DECREASE (A+B+C)</b>			
<b>BEFORE THE IMPACT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS NET INCREASE/DECREASE (A+B+C)</b>			
<b>NET INCREASE/ DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)</b>			
<b>NET INCREASE/ DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)</b>			
<b>D. IMPACT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS</b>			
<b>NET INCREASE/ DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)</b>			
<b>E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>			
<b>E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>			
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)</b>			
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)</b>			

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

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES**

Menderes Tekstil Sanayi ve Ticaret Anonim Şirketi (“Company”), its Subsidiaries and Equity participations are referred as “Group” in the accompanying consolidated financial statements.

The entities mentioned below are applied “Full Consolidation Method”:

- Menderes Tekstil Sanayi ve Ticaret A.Ş.
- Smyrna Seracılık Ticaret A.Ş.

The entities mentioned below are applied “Equity Pick up Method”:

- Akça Enerji Üretim Otoprodüktör Grubu A.Ş.
- Menderes Tekstil Pazarlama A.Ş.
- Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.
- Tan Elektrik Üretim A.Ş.

**Menderes Tekstil Sanayi ve Ticaret A.Ş.**

Company produces cotton press, electric energy, yarn, fabric, valances, dust ruffles, ruffled and tailored shams, comforter shells, printed towels and linens in integrated cotton and synthetic textile establishment.

The Company’s address registered on the Trade Registry Gazette is Adalet Mahallesi, Manas Bulvarı, No:47/A 42. Kat Bayraklı, İzmir.

As of 30 September 2015, 3,948 personnel are employed by the Company and average number of personnel is 4,018 for the period of 01.01-30.09.2015.

Company shares are traded in the Istanbul Stock Exchange since 2000.

**Production Capacity (Textile)**

According to the capacity report from Denizli Industrial Chamber dated 23 June 2015, numbered 196 and valid until 26 June 2017, the Company’s annual production capacity is as follows: (Company’s production capacity has been calculated with daily 8 hours, yearly 300 days. Company works for 3 shifts a day):

<b>Products</b>	<b>Unit</b>	<b>Miktar</b>
Cotton yarn (is used in its production)	Kg	5,438,718
Raw fabric woven (is used in its production)	m <sup>2</sup>	59,151,060
Knitted Fabric (is used in its production)	Kg	1,004,400
Linens	Unit	4,200,000
Pillow case	Unit	12,600,000
Sheet	Unit	6,600,000
Fabric painting (is used in its production)	Kg	3,744,000
Fabric printing (is used in its production)	Kg	13,500,000
Digital fabric printing (is used in its production)	Kg	1,311,786

**Production Capacity (Energy)**

According to the capacity report from Denizli Industrial Chamber dated 29 January 2014, numbered 24 and valid until 30 January 2017, the Company’s annual production capacity is as follows: (Company’s production capacity has been calculated with daily 8 hours, yearly 300 days. Company works for 3 shifts a day):

	<b>Unit</b>	<b>Quantity</b>
Electricity energy	Kilowatt hour	161,827,000
Steam (is used in its production)	Joule	617,569,920,000
Hot water (is used in its production)	Joule	238,360,320,000

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**Smyrna Seracılık Ticaret A.Ş.**

Smyrna Seracılık Ticaret A.Ş. was established in 2007 in İzmir. It is engaged in agricultural production. In the Trade Registry Gazette numbered 7296 and dated 21 April 2009, the Company's name has been changed from Smyrna Organik Tarım Sanayi ve Ticaret A.Ş. to Smyrna Seracılık Ticaret A.Ş. The Company has been included to the complete consolidation in 2009.

Smyrna Seracılık Ticaret A.Ş. has signed an agreement with the construction company for increasing the capacity of the plant which will be increased from 82,500 m<sup>2</sup> to 206,232 m<sup>2</sup> with adding 114,432 m<sup>2</sup>. Smyrna Seracılık A.Ş. has started to design environment and infrastructure of the new area. The new area will be constructed on the existing area, which is 196,932 m<sup>2</sup>, of Smyrna Seracılık Ticaret A.Ş.

According to the capacity report from Denizli Industrial Chamber dated 27 May 2015, numbered 164 Company's production capacity has been calculated per 1 shifts and 8 working hours per day by main product is as follows:

<b>Product</b>	<b>Unit</b>	<b>Quantity</b>
Tomato	Tone	6,480
Quick-frozen tomato	Tone	684

In the Trade Registry Gazette numbered 6911 dated 08 October 2007, the Company's headquarter was changed to Denizli and the address is as follows;

The Company's recorded address to the trade registry is Köyiçi Mevkii, Tosunlar Kasabası Sarayköy, Denizli.

As of 30 September 2015, 203 personnel are employed by the Company and the average number of personnel is 199 for the period of 01.01-30.09.2015.

**Akça Enerji Üretim Otoprodüktör Grubu A.Ş.**

Akça Enerji Üretim Otoprodüktör Grubu A.Ş. is established on 13 July 1998 in Denizli. It is engaged in producing electricity, hot water and steam.

**Menderes Tekstil Pazarlama A.Ş.**

Menderes Tekstil Pazarlama A.Ş. was established in 1998. Headquarter of the Company is in İzmir. Company engaged in marketing of home textile productions.

**Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.**

Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş. was established in 2006. Headquarter of the Company is in İzmir. Company operates vehicle inspection stations which are privatized within the context of law numbered 4046, in Aydın, Manisa, Denizli and İzmir for 20 years. Company has integrated 20 established and 4 mobile vehicle inspection stations. License rights have been started in 2008 and will continue until 2028.

**Tan Elektrik Üretim A.Ş.**

Tan Elektrik Üretim A.Ş. was established in İzmir on 18 July 2006 as "MTT Elektrik Üretim A.Ş." The Company name was changed to "Tan Elektrik Üretim A.Ş." on 9 November 2006. Main activity of Company is building production facilities, joining in to operation, renting, generating electricity and marketing electricity to customers.



**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS**

**2.a. Basis of Presentation**

**Compliance Statement**

The Group is predicate on Turkish Commercial Code ("TCC"), tax legislation of the Republic of Turkey and the Uniform Chart of Accounts issued by the Ministry of Finance while maintaining its legal accounting records and preparing statutory financial statements. Financial statements, except financial assets and liabilities which are signified by the fair value, on the basis of historical cost in Turkish Lira ("TRY") has been prepared. Financial statements prepared in accordance with the historical cost basis and in order to make fair presentation in accordance with IAS / IFRS, to the legal records required adjustments and reclassifications are reflected.

**The Preparation of Financial Statements**

The interim condensed consolidated financial statements and disclosures have been prepared in accordance with the communiqué numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets"(the Communiqué) announced by the Capital Markets Board (CMB) (hereinafter will be referred to as "the CMB Reporting Standards") on 13 June 2013 which is published on Official Gazette numbered 28676.

**Approval of Financial Statements**

Consolidated financial statements are approved by the Board of Directors and granted authority to publish on 09 November 2015. Boards of Directors have authority to change financial statements.

**Basis of Consolidation**

As of 30 September 2015 and 31 December 2014, the capital structure of subsidiaries and participations are as follows:

Menderes Tekstil Sanayi ve Ticaret A.Ş. (Parent Company)

	<b>30.09.2015</b>	<b>31.12.2014</b>
	<b>Ratio %</b>	<b>Ratio %</b>
Public Offered Shares	47.44	51.93
Akça Holding A.Ş.	50.17	45.68
Other	2.39	2.39
	<b>100%</b>	<b>100%</b>

Smyrna Seracılık Ticaret A.Ş. (Subsidiary)

	<b>30.09.2015</b>	<b>31.12.2014</b>
	<b>Ratio %</b>	<b>Ratio %</b>
Menderes Tekstil Sanayi ve Ticaret A.Ş.	79.17	79.17
Rıza Akça	10.31	10.31
Ahmet Bilge Göksan	5.16	5.16
Dilek Göksan	5.16	5.16
Other	0.20	0.20
	<b>100%</b>	<b>100%</b>

Aktur Araç Muayene İstasyon İşletmeleri A.Ş. (Participation)

	<b>30.09.2015</b>	<b>31.12.2014</b>
	<b>Ratio %</b>	<b>Ratio %</b>
Nihat Zeybekçi	49.50	49.50
Menderes Tekstil Sanayi ve Ticaret A.Ş.	48.00	48.00
Other	2.50	2.50
	<b>100%</b>	<b>100%</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**Akça Enerji Üretim Otoprodüktör Grubu A.Ş. (Participation)**

	<b>30.09.2015</b>	<b>31.12.2014</b>
	<b>Ratio %</b>	<b>Ratio %</b>
Tan Elektrik Üretim A.Ş.	45.71	45.71
Menderes Tekstil Sanayi ve Ticaret A.Ş.	20.00	20.00
Akça Holding A.Ş.	17.53	17.53
Osman Akça Tarım Ürün. İth. İhr. San. ve Tic. A.Ş.	10.72	10.72
Selin Tekstil Sanayi Ticaret A.Ş.	5.55	5.55
Akçasaraylı Tekstil Ltd. Şti.	0.48	0.48
	<b>100%</b>	<b>100%</b>

**Menderes Tekstil Pazarlama A.Ş. (Participation)**

	<b>30.09.2015</b>	<b>31.12.2014</b>
	<b>Ratio %</b>	<b>Ratio %</b>
Menderes Tekstil Sanayi ve Ticaret A.Ş.	45.00	45.00
Akça Holding A.Ş.	45.00	45.00
Rıza Akça	5.00	4.50
Dilek Göksan	2.50	4.50
Ahmet Bilge Göksan	2.50	1.00
	<b>100%</b>	<b>100%</b>

**Tan Elektrik Üretim A.Ş. (Participation)**

	<b>30.09.2015</b>	<b>31.12.2014</b>
	<b>Ratio %</b>	<b>Ratio %</b>
Osman Akça Tarım Ürün. İth. İhr. San. ve Tic. A.Ş.	70.00	70.00
Smyrna Seracılık A.Ş.	21.00	21.00
Akça Holding A.Ş.	5.00	5.00
Rıza Akça	2.00	2.00
Dilek Göksan	1.00	2.00
Ahmet Bilge Göksan	1.00	-
	<b>100%</b>	<b>100%</b>

Equity participations are accounted for using the equity pick-up method. Equity participations are companies in which Group has a voting right between 20% and 50% of the ordinary share capital or significant influence is exercised on the operations of the company.

Subsidiaries are included or excluded from the consolidation since the date Group has control over or loses control.

Minority shares of shareholders are pursued in net assets of the subsidiaries in the result of the operations consolidated balance sheet and income statements.

Results of the operations, assets and liabilities of the subsidiaries are accounted by using the equity pick-up method in the accompanying consolidated financial statements. In equity method the associates in consolidated statement are stated after the amount obtained from decreasing any impairment occurred in share from associates net assets value. Loss exceeding the Group's associates share are not recorded. Additional loss reserve is only made when Group is exposed to legal or constructive obligation or payments made in name of associate or partner.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

---

**Reporting Currency**

As of 30 September 2015 and 31 December 2014, Group's functional and reporting currency unit is represented in TRY compared to previous periods.

**Offsetting**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

**2.b. Changes in Accounting Policies**

A group only could change its accounting policy under following circumstances;

- If a standard or interpretation makes it necessary or
- If the change make effect of operations or incidents on financial position and performance or cash flows more appropriate and reliable.

Financial statements have to be comparable to see trends in financial position of companies, performance and cash flows for user of financial statements. This is why, if the change is not granting one of above conditions, each interim and fiscal periods has to be applied same accounting policy.

**2.c. Changes in Accounting Estimates and Errors**

The accompanying financial statements necessitate that some predictions about income and expenses regarding possible assets and liabilities in the financial statements prepared by group management to be compatible with statements required by Capital Market Board. Realized amounts can differ from the predictions. These predictions are observed regularly and reported periodically in income statements.

**2.d. Comparative Information and Previous Periods Adjustments**

For the purpose of conducting a comparison of financial position and performance trend, Company's current financial statements are prepared comparative with previous periods. Comparative information is reclassified to be compatible with the presentation of current financial statements, when necessary.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

---

**2.e. Standards issued but not yet effective and not early adopted**

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, after the new standards and interpretations become in effect.

**IFRS 9 Financial Instruments – Classification and measurement**

As amended in December 2012, the new standard is effective for annual periods beginning on or after 1 January 2018. Phase 1 of this new IFRS 9 introduces new requirements for classifying and measuring financial assets and liabilities. The amendments made to IFRS 9 will mainly affect the classification and measurement of financial assets and measurement of fair value option (FVO) liabilities and requires that the change in fair value of a FVO financial liability attributable to credit risk is presented under other comprehensive income. Early adoption is permitted. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

**IAS 16 and IAS 38 – Clarification of acceptable methods of depreciation and amortization**

The amendments to IAS 16 Property, Plant and Equipment explicitly state that revenue-based methods of depreciation cannot be used for property, plant and equipment. The amendments to IAS 38 Intangible Assets introduce a rebuttable presumption that the use of revenue-based amortization methods for intangible assets is inappropriate. The amendments are effective for annual periods beginning on after 1 January 2016, and are to be applied prospectively. Early adoption is permitted. The Group does not expect that these amendments will have significant impact on the financial position or performance of the Group.

**IFRS 11 – Accounting for acquisition of interests in joint operations**

The amendments clarify whether IFRS 3 Business Combinations applies when an entity acquires an interest in a joint operation that meets that standard's definition of a business. The amendments require business combination accounting to be applied to acquisitions of interests in a joint operation that constitutes a business. The amendments apply prospectively for annual periods beginning on or after 1 January 2016. Early adoption is permitted. The Group does not expect that these amendments will have significant impact on the financial position or performance of the Group.

**The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by POA**

The following standards, interpretations and amendments to existing IFRS standards are issued by the IASB but not yet effective up to the date of issuance of the financial statements. However, these standards, interpretations and amendments to existing IFRS standards are not yet adapted/issued to TFRS by the POA, thus they do not constitute part of TFRS. Such standards, interpretations and amendments that are issued by the IASB but not yet issued by the POA are referred to as IFRS or IAS. The Group will make the necessary changes to its consolidated financial statements after the new standards and interpretations are issued and become effective under TFRS.

**IFRS 9 Financial Instruments – Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39 - (2013)**

In November 2013, the IASB issued a new version of IFRS 9, which includes the new hedge accounting requirements and some related amendments to IAS 39 and IFRS 7. Entities may make an accounting policy choice to continue to apply the hedge accounting requirements of IAS 39 for all of their hedging transactions. Further, the new standard removes the 1 January 2015 effective date of IFRS 9. The new version of IFRS 9 issued after IFRS 9 (2013) introduces the mandatory effective date of 1 January 2018 for IFRS 9, with early adoption permitted. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

**IFRS 9 Financial Instruments (2014)**

IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and de-recognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

**IFRS 14 Regulatory Deferral Accounts**

IASB has started a comprehensive project for Rate Regulated Activities in 2012. As part of the project, IASB published an interim standard to ease the transition to IFRS for rate regulated entities. The standard permits first time adopters of IFRS to continue using previous GAAP to account for regulatory deferral account balances. The interim standard is effective for financial reporting periods beginning on or after 1 January 2016, although early adoption is permitted. The Group does not expect that these amendments will have significant impact on the financial position or performance of the Group.

**IFRS 15 Revenue from Contracts with customers**

The standard replaces existing IFRS and US GAAP guidance and introduces a new control-based revenue recognition model for contracts with customers. In the new standard, total consideration measured will be the amount to which the Company expects to be entitled, rather than fair value and new guidance have been introduced on separating goods and services in a contract and recognizing revenue over time. The standard is effective for annual periods beginning on or after 1 January 2017, with early adoption permitted under IFRS. The Group is in the process of assessing the impact of the amendment on financial position or performance of the Group.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira ‘TRY’ unless expressed otherwise.)

---

**Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)**

The amendments address the conflict between the existing guidance on consolidation and equity accounting. The amendments require the full gain to be recognized when the assets transferred meet the definition of a “business” under IFRS 3 Business Combinations. The amendments apply prospectively for annual periods beginning on or after 1 January 2016. Early adoption is permitted. The Group does not expect that these amendments will have significant impact on the financial position or performance of the Group.

**Equity method in separate financial statements (Amendments to IAS 27)**

The amendments allow the use of the equity method in separate financial statements, and apply to the accounting not only for associates and joint ventures, but also for subsidiaries. The amendments apply retrospectively for annual periods beginning on or after 1 January 2016. Early adoption is permitted. The Group does not expect that these amendments will have significant impact on the financial position or performance of the Group.

**Disclosure Initiative (Amendments to IAS 1)**

The narrow-focus amendments to IAS 1 Presentation of Financial Statements clarify, rather than significantly change, existing IAS 1 requirements. In most cases the amendments respond to overly prescriptive interpretations of the wording in IAS 1. The amendments relate to the following: materiality, order of the notes, subtotals, accounting policies and disaggregation. The amendments apply for annual periods beginning on or after 1 January 2016. Early adoption is permitted. The Group does not expect that these amendments will have significant impact on the financial position or performance of the Group.

**Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)**

Before the amendment, it was unclear how to account for an investment entity subsidiary that provides investment-related services. As a result of the amendment, intermediate investment entities are not permitted to be consolidated. So where an investment entity’s internal structure uses intermediates, the financial statements will provide less granular information about investment performance – i.e. less granular fair values of, and cash flows from, the investments making up the underlying investment portfolio.

**Annual Improvements to IFRS – 2012–2014 Cycle**

The IASB issued Annual Improvements to IFRSs - 2012–2014 Cycle. The amendments are effective as of 1 January 2016. Earlier application is permitted. The Group does not expect that these amendments will have significant impact on the financial position or performance of the Group.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

---

**IFRS 5 Non-current Assets Held for Sale and Discontinued Operations**

The amendments clarify the requirements of IFRS 5 when an entity changes the method of disposal of an asset (or disposal group) and no longer meets the criteria to be classified as held-for-distribution

**IFRS 7 Financial Instruments: Disclosures**

IFRS 7 is amended to clarify when servicing arrangement are in the scope of its disclosure requirements on continuing involvement in transferred financial assets in cases when they are derecognized in their entirety. IFRS 7 is also amended to clarify that the additional disclosures required by Disclosures: Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7).

**IAS 19 Employee Benefits**

IAS 19 has been amended to clarify that high-quality corporate bonds or government bonds used in determining the discount rate should be issued in the same currency in which the benefits are to be paid.

**IAS 34 Interim Financial Reporting**

IAS 34 has been amended to clarify that certain disclosure, if they are not included in the notes to interim financial statements, may be disclosed "elsewhere in the interim financial report" – i.e. incorporated by cross-reference from the interim financial statements to another part of the interim financial report (e.g. management commentary or risk report).

## **2.f. Summary of Significant Accounting Policy**

### **Cash and Cash Equivalents**

Cash and cash equivalent values contain cash on hand, bank deposits and high liquidity investments. Cash and cash equivalents are showed with obtaining costs and the total of accrued interests.

Financial investments:

#### Initial measurement of financial assets and financial liabilities

When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

When an entity uses settlement date accounting for an asset that is subsequently measured at cost or amortised cost, the asset is recognised initially at its fair value on the trade date.

#### Subsequent measurement of financial assets

After initial recognition, an entity shall measure financial assets, including derivatives that are assets, at their fair values, without any deduction for transaction cost it may incur on sale or other disposal, except for the following financial assets:

- (i) Loan and receivables which shall be measured at amortized cost using the effective interest method;
- (ii) Held-to-maturity investments which shall be measured at amortized cost using the effective interest method; and
- (iii) Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that is linked to and must be settled by delivery of such unquoted equity instruments which shall be measured at cost.

#### Financial assets and liabilities at fair value through profit or loss:

It is classified as tangible assets hold for future sale. A financial asset or financial liability is classified as tangible assets hold for future sale if it is:

- (i) Acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- (ii) Part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit making; or
- (iii) A derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

#### Held-to maturity investments:

Non derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity.

- (i) Those that the entity upon initial recognition designates as at fair value through profit or loss;
- (ii) Those that the entity designates as available for sale; and
- (iii) Those that meet the defination of loans and receivable.



**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

---

Financial assets carried at cost:

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such unquoted equity instrument, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses shall not be reversed.

Marketable securities

Financial assets in which Parent Company has voting right below 20%, or over 20% which Parent Company does not exercise a significant influence, and subsidiaries or joint venture, which are not included in consolidation that they are immaterial or which are immaterial, that do not have a quoted market price in active markets and whose fair value cannot be measured reliably are carried at cost less any provision for diminution in value.

**Financial Borrowings**

Financial borrowings are recognized initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective yield method; any difference between proceeds, net of transaction costs, and the redemption value is recognized in the income statement over the borrowing period. Borrowing costs are charged to income statement when they incur and reclassified to bank loans.

**Trade Receivables and Payables**

The trade receivables and payables derived from providing services or selling goods by the Group and purchasing goods or receiving services are clarified with deferred financial income and expense in the accompanying financial statements. Post clarification, trade receivables and trade payables are calculated from the values of following the record of the original invoice values, by rediscounting with effective interest rate method. Short term receivables without designated interest rate are reflected the invoice values in case the effective interest rate effect is insignificant.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

---

**Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All of the other borrowing costs are recorded in the income statement in the period in which they are incurred.

**Provision for Doubtful Receivables**

The Company sets provisions for doubtful receivable when it is realized uncollectible due to objective findings. Amount of this provision is the difference of registered and collectible amounts. All cash flow including the collectible sum amount from guarantee and assurance is discounted on the base of the effective interest rate of trade receivable occurred.

In case of collecting doubtful receivable that is provided, the collected amount is deducted from the provision for doubtful receivable and in case of a remaining balance; the balance is added to other income.

**Inventories**

Inventories are valued at the lower of cost or net realizable value. Inventory costs include purchasing costs. The cost of inventories is determined on the first in first out (FIFO) basis for each purchase. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

**Biological Assets**

Group's biological assets consist of planted tomatoes. Due to no presence of active market for tomatoes, they were reflected in the accompanying combined financial statements with their costs minus if there is impairment in the cost then it is deducted.

**Tangible Assets**

Tangible assets are reflected with adjusted cost value according to the inflationary accounting effective as of 01 January 2005 for the entries purchased before 01 January 2005 and acquired cost of entries purchased after 01 January 2005 by deducting the accumulated depreciation.

Tangible assets are carried at cost less accumulated depreciation. Depreciation is provided on restated amounts of property, plant and equipment using the straight-line basis with prorates method based on the estimated useful lives of the assets. Expenses for the repair of property, plant and equipment are normally charged as an expense.

Economic useful lives of assets approximately are as follows:

	<u>Year</u>
Land improvements	10-30
Buildings	50
Machinery, plant and equipments	5-10
Motor vehicles	5
Fixtures and fittings	10

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

---

**Intangible Assets**

Intangible assets are reflected with adjusted cost value according to the inflationary accounting effective as of 31 December 2004 for the entries purchased before 01 January 2005 and acquired cost of entries purchased after 01 January 2005 by deducting the accumulated amortization.

Intangible assets comprise acquired usage rights, information systems, research and development expenses and other identified rights. They are recorded at acquisition cost and amortized on a straight-line based on pro-rata over their estimated useful lives for a period not exceeding between 10% and 20% for a year.

**Leasing**

Group acquired assets under finance lease agreements and capitalized at the inception of the lease starting from acquired date. Payables to lease are pursued under financial leasing liability in balance sheet. Calculation of minimum leasing payment is to find out current market value as the valid proportion is calculated practically in financial leasing process then it is, otherwise proportion of interest rate of loan is used as discount factor. Expenses of asset acquisition through financial leasing are included in costs. The liability from financial leasing is decomposed into interest rate and the main loan. Expenses of interest rate are calculated with the fixed interest rate and are issued in related periods.

**Impairment of Assets**

In the case of detecting that carrying values of fixed assets fall below the level that can realize / can be gained from this asset in the future due to different events and situations, material and non-material fixed assets are tested in terms of value losses. In the case of being over the value of book value of material and non-material fixed assets realizable value or the value that can be gained from this asset in the future, provision are made for fixed asset value diminution.

**Employee Benefits / Severance Pay**

• **Severance Pay**

Under Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who retires in accordance with social insurance regulations or is called up for military service or dies. As of 30 September 2015, such payments are calculated on the basis of 30 days' pay limited to a maximum of TRY 3,828 (31 December 2014: TRY 3,438) per year of employment at the rate of pay applicable at the date of retirement.

Group used "Projection Method" to calculate the termination benefits and the duration to be completed based on the past experience and discounted with rate of Treasury bond at balance sheet date. The calculated profits and losses are reflected in income statements.

• **Social Insurance Premium**

Group, pays social security contribution to social security organization compulsorily. So long as the company pays these premiums, it has no liability. These premiums are reflected as personnel expenses in the period in which they are paid.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

---

**Taxes**

Taxes on income for the period comprise current tax and the change in the deferred taxes. The charge for current tax is based on the results for the period as adjusted for items which are non-assessable or disallowed. It is calculated using tax rates enacted by the balance sheet date. Deferred tax is accounted for using the "liability" method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable (statutory) profit. Deferred tax is accounted by temporary differences between the values of assets and liabilities in financial statements using "liability method" and the values of financial statements for the legal purpose. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit. Net deferred tax assets created from term differences deducted in proportion as tax allowances in conditions of there is no certain information for the coming periods.

**Accounting Estimates**

During the preparation of financial statements, the Company management is required to disclose the carrying amount of value of the assets and liabilities stated in the financial statements as of the balance sheet date and to give explanations regarding off balance sheet liabilities, and to provide assumptions that might affect the totals of income and expense realized during the period. However, actual results may vary from these results.

**Provisions, Conditional Liabilities and Conditional Assets**

Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Conditional liabilities and conditional assets

Transactions that may give rise to contingencies and commitments are those where the outcome and the performance of which will be ultimately confirmed only on the occurrence or non occurrence of certain future events, unless the expected performance is not very likely. Accordingly, contingent losses are recognized in the financial statements of Group if a reasonable estimate of the amount of the resulting loss can be made. Contingent gains are reflected only if it is probable that the gain will be realized.

**Investments Subject to Equity Pick-up Method**

Equities valued with equity pick-up method are carried at their initial acquisition cost. This amount is accounted by equity pick-up method by restating subject to Group accounting policies calculating the share of company from the net assets.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

---

**Revenue**

Revenue is recognized on accrual basis at the fair value of the amount obtained or to be obtained based on the assumptions that delivery is realized, the income can be reliably determined and the inflow of the economic benefits related with the transaction to the Group is probable. Net sales are calculated after the sales returns and sales discounts are deducted. The main activity of the Group and its subsidiaries manufacture of textiles and agricultural products, sales, marketing, production of electrical energy.

*Sales of goods:*

Revenue from sale of goods is recognized when all the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods,
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold,
- The amount of revenue can be measured reliably,
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

*Rendering of services:*

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion of the transaction at the balance sheet date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The stage of completion of the transaction at the balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

*Interest income:*

Interest income is accrued in proportion as effective interest rate which reduces estimated cash addition to recorded value of the asset in corresponding period.

*Dividend and other incomes:*

Dividend income which obtained from share investments, is recorded when shareholders' have the right to get dividend.

Other incomes are recorded with the possibility of having the worth giving service or accrual of the facts related with income, making the transfer of risk and benefit, determination of income amount and enrollment of economic benefits related with the procedure.

**Leasing procedures**

*Operating lease as owner*

Leases where the lesser retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. In operating lease, the rented assets are classified under the tangible fixed assets in the balance sheet. The income from the rent and lease are reflected at the end of procedures in equal amounts in other incomes account. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

Group's rental incomes derived from assets subjected to operating lease, are not fixed related to the contracts, those rent incomes are considered as future sales percentage described in the contracts.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**The Effects of Exchange Rates**

Foreign currency transactions are entered in the accounts with current rates in transaction date. Foreign currency assets and liabilities in the balance sheet are converted to the TRY as the rates in the balance sheet date. Foreign exchange and losses are reflected to the financial statements.

The foreign currency rates for USD, EUR, GBP and CHF used at the end of the period are as following:

	30.09.2015	31.12.2014
USD	3.0433	2.3189
EURO	3.4212	2.8207
GBP	4.6109	3.5961
CHF	3.1250	2.3397

**Derivative Financial Instruments and Instruments to Protect from Risk**

The Group's derivative financial instruments include foreign currency forward contracts and interest rate swap transactions.

The acquisition cost is used by recording derived financial instruments and foreign exchange commitments and transaction cost is added to acquisition cost. Derived financial instruments are appreciated with reasonable value in the following periods. All derived financial instruments are reclassified as financial instruments of no balance sheet but associated with income sheet. All derived financial instruments are reclassified as financial instruments of no balance sheet but associated with income sheet.

At the end of valuation, the derived financial instruments which are appreciated with the reasonable value and associated with income statement will be reflected as a result of valuation to the income sheet.

It has been calculated with comparison of the revalued gains and losses in the forward purchase and sale agreements of foreign currency with the foreign exchange spot rate as of balance sheet date and the revalued original amount calculated with linear method with valid foreign exchange spot rate as of starting date of agreements. Amounts related with income statement have been classified as income/expense accruals under other receivables and other payables in the balance sheet.

**Effects of Change in Currency Rate**

Assets and liabilities in foreign currency and purchase and sale commitments create exchange risk. Foreign exchange risk stemming from depreciation or appreciation of Turkish Lira managed by top management by following the currency position of the Group and taking position according to approved limits.

**Earnings per Share / (Loss)**

The amount of gain / loss per share is calculated by dividing the period gain/ loss of the company with weighted average share unit in the period.

In Turkey, companies can increase their share capital by making distribution of "bonus shares" to existing shareholders from Inflation adjustment difference in shareholder's equity. For the purpose of the earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of "bonus shares" issued without corresponding change in resources by giving them retroactive effect for the period in which they were issued and each earlier period.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

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**Other Balance Sheet Entries**

Other balance sheet entries are reflected with their book values.

**Cash Flow Statement**

Cash flow statement is prepared in accordance with communiqué by Capital Market Board.

**Subsequent Events**

Although subsequent events arise after the explanation of the financial information to the public or any announcement related to profitability, it encloses all the events with balance sheet date and authorization date for the diffusion of the balance sheet. Group adjusts the amounts in the financial statements if there exists any events necessitates adjustment.

**Related Parties**

In the presence of one of the following criteria, parties are considered as related to the Company,

- a) Directly, or indirectly through one or more intermediaries, the party,
  - (i) Controls, is controlled by, or is under common control with, the Company (this includes parents, subsidiaries and fellow subsidiaries);
  - (ii) Has an interest in Company that gives it significant influence over the Company; or
  - (iii) Has joint control over the Company;
- (b) The party is an associate of the Company,
- (c) The party is a joint venture, in which the Company is a venture,
- (d) The party is member of the key management personnel of the Company or its parent,
- (e) The party is a close member of the family of any individual referred to in (a) or (d),
- (f) The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or
- (g) The party has a defined benefit plan for the employees of the Company or a related party of the Company.

Transactions with related parties are transfer of resources or obligations between related parties, regardless of whether a price is charged. Company interacts with its related parties within the frame of ordinary business activities (Note 6).

Details of related parties are as follows:

*Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.*

Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş. was established in 2006. Head quarter of the Company is in İzmir. The Company operates vehicle inspection stations which are privatized within the context of law b-numbered 4046, in Aydın, Manisa, Denizli and İzmir for 20 years. Aktur Araç Muayene İstasyonları İşletmeciliği has integrated 20 established and 4 mobile vehicle inspection stations.

*Osman Akça Tarım Ürünleri İthalat İhracat Sanayi ve Ticaret A.Ş. "Osman Akça Tarım Ürünleri"*

Osman Akça Tarım Ürünleri İthalat ve İhracat San. ve Tic. A.Ş. was established on 25 July 1985. Headquarter of the company is in İzmir. Main activity is established to process the fruit and agricultural products.

*Tan Elektrik Üretim A.Ş. "Tan Elektrik"*

Tan Elektrik Üretim A.Ş. was established in Izmir on 18 July 2006 as "MTT Elektrik Üretim A.Ş." The company name was changed to "Tan Elektrik Üretim A.Ş." on 9 November 2006. Main activity of company is building production facilities, joining in to operation, renting, generating electricity and marketing electricity to customers.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

*Akçamen Tekstil Sanayi ve Ticaret A.Ş. "Akçamen Tekstil"*

Akçamen Tekstil Sanayi ve Ticaret A.Ş. was established on 26 July 1994. Headquarter of the company is in İzmir. No. 7186 on 11 November 2008 in the Trade Registry Gazette the company was changed to the center of Denizli. Main activity is to produce cotton.

*Ak-San Sigorta ve Aracılık Hizmetleri Ltd. Şti. "Aksan Sigorta"*

Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti. was established on 13 March 1997. Head quarter of the company is in İzmir. Main activity is insurance intermediary services.

*Selin Tekstil Sanayi ve Ticaret A.Ş. "Selin Tekstil"*

Selin Tekstil Sanayi ve Ticaret A.Ş. was established in 1992. Head quarter of the company is in Denizli. Main activity is outsourcing of textile manufacturing.

*Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti. "Akçasaraylı Tekstil"*

Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti. was established in 1990 in İzmir. It is engaged of the sale of textile products.

A Trademark Lease contract was made between Menderes Tekstil San. and Tic. A.Ş. and Akça Saraylı Tekstil San. ve Tic. Ltd. Şti. With this contract signed, Akça Saraylı Tekstil San. ve Tic. Ltd.Şti. is obliged to pay 2% of its annual net sales to Menderes Tekstil San. ve Tic. A.Ş. as a leasing fee. Consequently, Akça Saraylı Tekstil San. ve Tic. Ltd. Şti. leased the trademarks of Mendereshome Store-Menderesstore-Menderestore.

*Akça Holding A.Ş. "Akça Holding"*

Akça Holding A.Ş. was established in 1994 in İzmir. It is engaged in providing financial support to the group firms.

*Akça Solar Enerji Üretim Sanayi ve Ticaret A.Ş. "Akça Solar"*

Akça Solar Enerji Üretim Sanayi ve Ticaret A.Ş. was established in 4 September 2012 in Denizli. It is engaged in the production and sale of every kind of renewable energy (sun energy, wind energy, etc.).

*Naturak Gayrimenkul Geliştirme A.Ş. "Naturak"*

Naturak Gayrimenkul Geliştirme A.Ş. was established in 2 September 2014 in İzmir. It is engaged in selling and purchasing, building, to get built, renting, purchasing landed property and project development every kind of real estate property.

*İkitelli Turizm Ticaret A.Ş. "İkitelli"*

İkitelli Turizm Ticaret A.Ş. was established in 3 April 2015 in İstanbul. The main activity of the Company is beginning every kind of business, performing, hiring, investing, selling, taking over, renting out in tourism field in domestic and foreign areas, and also, organizing journeys and tours.

**2.g. Significant Accounting Judgments, Estimates and Assumptions**

There is no significant accounting judgments, estimates and assumptions on the accompanying financial statements.

**2.h. Segment Reporting of Results of Operations**

Group mainly operates in textile and agriculture sectors, agricultural production is conducting by Smyrna Balance sheet items and operating results are given in Note 3.



**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 3 – SEGMENT REPORTING**

<b>30 September 2015</b>	<b>Textile Sector</b>	<b>Agricultural Sector</b>	<b>Elimination</b>	<b>Total</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	59,070,484	34,077	-	59,104,561
Financial Investments	11,973,474	-	-	11,973,474
Trade Receivables	58,227,591	68,862	-	58,296,453
Other Receivables	132,251,181	-	(16,920,449)	115,330,732
Derivative Financial Instruments	238,999	-	-	238,999
Inventories	210,038,597	609,302	-	210,647,899
Biological Assets	-	3,447,677	-	3,447,677
Prepaid Expenses	1,785,908	134,492	-	1,920,400
Current Taxes Assets	71,888	156,554	-	228,442
Other Current Assets	13,397,579	3,406,094	-	16,803,673
<b>Current Assets</b>	<b>487,055,701</b>	<b>7,857,058</b>	<b>(16,920,449)</b>	<b>477,992,310</b>
Other Receivables	51,456	14,721	-	66,177
Investments Valued With Equity Method	137,468,247	-	(9,500,000)	127,968,247
Tangible Assets	128,172,099	25,129,792	-	153,301,891
Intangible Assets	157,255	9,605	-	166,860
Prepaid Expenses	324,515	142,472	-	466,987
Deferred Tax Assets	24,248,728	1,070,954	(260,280)	25,059,402
<b>Non-Current Assets</b>	<b>290,422,300</b>	<b>26,367,544</b>	<b>(9,760,280)</b>	<b>307,029,564</b>
<b>TOTAL ASSETS</b>	<b>777,478,001</b>	<b>34,224,602</b>	<b>(26,680,729)</b>	<b>785,021,874</b>
<b>LIABILITIES</b>				
Short Term Borrowings	276,112,533	-	-	276,112,533
Current Installments of Long Term Borrowings	25,523,705	3,314,558	-	28,838,263
Trade Payables	86,901,648	1,320,300	-	88,221,948
Employee Benefits Liabilities	5,248,019	316,353	-	5,564,372
Other Payables	2,242,706	17,063,910	(16,920,449)	2,386,167
Derivative Financial Instruments	3,614,650	-	-	3,614,650
Deferred Incomes	25,169,046	41,134	-	25,210,180
Short term provisions	1,458,878	9,202	-	1,468,080
<b>Short Term Liabilities</b>	<b>426,271,185</b>	<b>22,065,457</b>	<b>(16,920,449)</b>	<b>431,416,193</b>
Long Term Borrowings	65,701,878	4,970,831	-	70,672,709
Long Term Provisions For Employee Benefits	18,135,543	250,199	-	18,385,742
Deferred Tax Liabilities	942,362	332,156	(260,280)	1,014,238
<b>Long Term Liabilities</b>	<b>84,779,783</b>	<b>5,553,186</b>	<b>(260,280)</b>	<b>90,072,689</b>
Paid in Capital	250,000,000	12,000,000	(12,000,000)	250,000,000
Inflation Adjustments to Shareholders' Equity	485,133	-	-	485,133
Accumulated other comprehensive income / expense not to be reclassified on profit or loss				
Actuarial Benefit / Loss of the Retirement Plans	(5,893,381)	-	-	(5,893,381)
Restricted Reserves	10,147,245	62,532	-	10,209,777
Retained Earnings / Losses	63,774,934	(2,865,836)	587,233	61,496,331
Net Profit / Loss for the Period	(52,086,898)	(2,590,737)	539,751	(54,137,884)
Minority Interest	-	-	1,373,016	1,373,016
<b>SHAREHOLDERS' EQUITY</b>	<b>266,427,033</b>	<b>6,605,959</b>	<b>(9,500,000)</b>	<b>263,532,992</b>
<b>TOTAL LIABILITIES</b>	<b>777,478,001</b>	<b>34,224,602</b>	<b>(26,680,729)</b>	<b>785,021,874</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

30 September 2015	Textile Sector	Agricultural Sector	Elimination	Total
Revenue	409,355,312	11,068,402	-	420,423,714
Cost of Sales (-)	(362,377,279)	(9,847,499)	-	(372,224,778)
<b>GROSS PROFIT/LOSS</b>	<b>46,978,033</b>	<b>1,220,903</b>	<b>-</b>	<b>48,198,936</b>
General Administrative Expenses (-)	(7,822,968)	(723,068)	-	(8,546,036)
Marketing Expenses (-)	(9,560,979)	(849,358)	-	(10,410,337)
Other Operating Income	11,511,824	531,338	-	12,043,162
Other Operating Expenses (-)	(37,451,127)	(111,398)	-	(37,562,525)
<b>OPERATING PROFIT/LOSS</b>	<b>3,654,783</b>	<b>68,417</b>	<b>-</b>	<b>3,723,200</b>
Income from Investment Activities	441,612	1,075	-	442,687
Shares of Profit/(Loss) from Investments Evaluated by Equity Pick-up Method	8,896,048	(540,440)	-	8,355,608
<b>OPERATING ACTIVITY PROFIT/LOSS BEFORE FINANCIAL EXPENSES</b>	<b>12,992,443</b>	<b>(470,948)</b>	<b>-</b>	<b>12,521,495</b>
Financial Income (+)	27,079,388	978	(1,240,122)	25,840,244
Financial Expenses (-)	(106,084,058)	(3,227,794)	1,240,122	(108,071,730)
<b>OPERATING ACTIVITY PROFIT/LOSS BEFORE TAXATION</b>	<b>(66,012,227)</b>	<b>(3,697,764)</b>	<b>-</b>	<b>(69,709,991)</b>
<b>Operating Activity Tax Income/Expense</b>				
- Current Tax Income/Expense	-	-	-	-
- Deferred Tax Income/Expense	13,925,329	1,107,027	-	15,032,356
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>(52,086,898)</b>	<b>(2,590,737)</b>	<b>-</b>	<b>(54,677,635)</b>

**Information On The Geographical Region**

On a country basis distribution of foreign revenue obtained from the Group's textile sector activities as follows:

Region	01.01- 30.09.2015	01.01- 30.09.2014
Germany	38%	36%
U.S.A	32%	29%
France	6%	6%
Italy	6%	8%
United Kingdom	4%	3%
China	3%	4%
Others	11%	14%
	100%	100%

**Information About Major Clients**

Group's sales related activities are determined according to market fluctuations in domestic and foreign and conditions of competitions. As of 30 September 2015, it is being taken care of that any certain sector, country, individual and company are concentrated in terms of risk dispersions. The share of the biggest purchaser in the revenue achieved from textile activity is 42%. (31.12.2014: 40%).

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 4 – CASH AND CASH EQUIVALENTS**

As of 30 September 2015 and 31 December 2014, the details of cash and cash equivalents are as following:

	<b>30.09.2015</b>	<b>31.12.2014</b>
Cash	25,034	9,037
<b>Banks</b>	<b>59,077,139</b>	<b>124,126,889</b>
<i>Demand deposits</i>	55,373,890	41,005,648
<i>Time deposits</i>	3,703,249	83,121,241
Interest accruals for banks	2,388	139,802
	<b>59,104,561</b>	<b>124,275,728</b>

As of 30 September 2015 and 31 December 2014, maturity schedule of time deposits in the cash and cash equivalents are as following:

	<b>30.09.2015</b>	<b>31.12.2014</b>
Within 1 month	3,703,249	78,761,276
1-3 month	-	4,359,965
	<b>3,703,249</b>	<b>83,121,241</b>

As of 30 September 2015, effective interest rates of time deposits in TRY and USD are 9.75 % and 1.86% (31.12.2014: for TRY 9.66%, USD 2.39%).

As of 30 September 2015, average maturity date of time deposits is 9 days (31 December 2014: 31 days). As of 30 September 2015, time deposits consist of TRY 76,512 and USD 1,191,712 (TRY 3,626,737) (31.12.2014: TRY 75,315,821 and USD 3,366,001 (TRY 7,805,420)).

As of 30 September 2015, the Group's time deposits within the 3 months has hypothec against loans used from Şekerbank T.A.Ş, USD 1,050,000 (TRY 3,195,465) and on demand deposits from Denizbank A.Ş. TRY 45,000,000 (31.12.2014: TRY 20,000,000 and USD 1,850,000 (TRY 4,289,965)).

**NOT 5 – FINANCIAL INVESTMENTS**

**Short term financial investments**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Deposits with maturities over 3 months	11,868,870	4,753,745
Bank interest accruals	104,604	55,456
	<b>11,973,474</b>	<b>4,809,201</b>

As of 30 September 2015, the average maturity of time deposits are 228 days. (31.12.2014: 169). As of 30 September 2015, time deposit consist of USD 3,900,00 (TRY 11,868,870) (31.12.2014: USD 2,050,000 (TRY 4,753,745)).

As of 30 September 2015, the blockage's amount on the more than 3 months bank deposits of the Group is USD 2,850,000 (TRY 8,673,405) for the borrowings are taken from Şekerbank T.A.Ş (31.12.2014: USD 2,050,000 (TRY 4,753,745)).

**NOTE 6 – RELATED PARTY TRANSACTIONS**

**i) Due from / to related parties:**

**a) Trade receivables from related parties (Note 7):**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	3,866,103	1,410,032
Menderes Tekstil Pazarlama A.Ş.	5,266,565	329,520
Unearned interests	(47,371)	(31,921)
	<b>9,085,297</b>	<b>1,707,631</b>

**b) Trade payables to related parties (Note 7):**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Selin Tekstil Sanayi ve Ticaret A.Ş.	4,966,611	4,647,522
Akça Holding A.Ş.	-	112,449
Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti.	49,637	457,782
Unearned interests	(52,441)	(38,552)
	<b>4,963,807</b>	<b>5,179,201</b>

**c) Other receivables from related parties (Note 9):**

	<b>30.09.2015</b>	<b>31.12.2014</b>
<b>Due from shareholders</b>		
Osman Akça T. Ürün. İth. İhr. San. ve Tic. A.Ş.	36,780,800	31,461,273
Akça Holding A.Ş.	362,449	-
Rıza Akça	-	63,314
<b>Other receivables from related parties</b>		
Tan Elektrik Üretim A.Ş.	13,332,171	4,267,952
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	56,154,727	56,149,986
Akça Solar Enerji Üretim San. ve Tic. A.Ş.	-	327,089
	<b>106,630,147</b>	<b>92,269,614</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**  
(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

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**d) Other payables to related parties (Note 9):**

	<b>30.09.2015</b>	<b>31.12.2014</b>
<b>Due to shareholders</b>		
Rıza Akça	705,347	20,353
Ali Atlamaz	109,975	78,475
Dilek Göksan	123	-
<b>Other payables to related parties</b>		
Akçamen Tekstil A.Ş.	57,471	60,922
	<b>872,916</b>	<b>159,750</b>

**e) Advances received from related parties (Note 13):**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Menderes Tekstil Pazarlama A.Ş.	-	5,788,862
	-	<b>5,788,862</b>

**f) Advances given to related parties (Not 13):**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Rıza Akça	122,524	-
	<b>122,524</b>	-

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**ii) Major sales to related parties and major purchases from related parties:**

**a) Sales to related parties:**

	<b>01.01.-</b> <b>30.09.2015</b>	<b>01.01.-</b> <b>30.09.2014</b>	<b>01.07.-</b> <b>30.09.2015</b>	<b>01.07.-</b> <b>30.09.2014</b>
Menderes Tekstil Pazarlama A.Ş.	53,857,612	55,442,303	13,661,853	18,626,246
Osman Akça T. Ürün. İth. İhr. San. ve Tic. A.Ş.	-	184,616	-	122,659
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	3,106,196	1,800,210	912,894	918,392
Aktur Araç Muayene İstasyonları İşl. A.Ş.	24,052	21,700	-	-
	<b>56,987,860</b>	<b>57,448,829</b>	<b>14,574,747</b>	<b>19,667,297</b>

**b) Purchases from related parties:**

	<b>01.01.-</b> <b>30.09.2015</b>	<b>01.01.-</b> <b>30.09.2014</b>	<b>01.07.-</b> <b>30.09.2015</b>	<b>01.07.-</b> <b>30.09.2014</b>
Osman Akça T. Ürün. İth. İhr. San. ve Tic. A.Ş.	-	335,600	-	113,000
Selin Tekstil Sanayi ve Ticaret A.Ş.	27,079,500	27,420,900	10,653,500	11,530,000
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	334,900	192,075	118,200	64,025
Akça Holding A.Ş.	25,193	33,288	11,604	14,812
Aktur Araç Muayene İstasyonları İşl. A.Ş.	2,206	1,159	844	1,159
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	679	-	-	-
	<b>27,442,478</b>	<b>27,983,022</b>	<b>10,784,148</b>	<b>11,722,996</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**iii) Other income and expenses resulting from transactions between related parties:**

**a) Benefits provided to the board members and managers, gross:**

	01.01.- 30.09.2015	01.01.- 30.09.2014	01.07.- 30.09.2015	01.07.- 30.09.2014
Members of the Board of Directors	253,961	220,773	99,113	88,928
	<b>253,961</b>	<b>220,773</b>	<b>99,113</b>	<b>88,928</b>

**b) Service expenses paid to related parties:**

	01.01.- 30.09.2015	01.01.- 30.09.2014	01.07.- 30.09.2015	01.07.- 30.09.2014
Ak-San Sigorta Aracılık Hizmetleri Ltd. Şti.	234,918	166,227	117,745	107,762
Akça Holding A.Ş.	331,678	191,916	120,478	83,222
	<b>566,596</b>	<b>358,143</b>	<b>238,223</b>	<b>190,984</b>

**c) Rent incomes from related parties:**

	01.01.- 30.09.2015	01.01.- 30.09.2014	01.07.- 30.09.2015	01.07.- 30.09.2014
Menderes Tekstil Pazarlama A.Ş.	9,000	8,100	3,000	2,700
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	22,500	21,015	7,500	7,005
Selin Tekstil Sanayi ve Ticaret A.Ş.	22,500	21,015	7,500	7,005
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	58,500	53,325	19,500	17,775
Akçamen Tekstil Sanayi Ticaret A.Ş.	7,200	6,750	2,400	2,250
Akça Holding A.Ş.	58,500	-	19,500	-
Osman Akça T. Ürün. İth. İhr. San. ve Tic. A.Ş.	58,500	-	19,500	-
	<b>236,700</b>	<b>110,205</b>	<b>78,900</b>	<b>36,735</b>

**d) Service income from related parties:**

	01.01.- 30.09.2015	01.01.- 30.09.2014	01.07.- 30.09.2015	01.07.- 30.09.2014
Menderes Tekstil Pazarlama A.Ş.	49,500	45,000	16,500	15,000
	<b>49,500</b>	<b>45,000</b>	<b>16,500</b>	<b>15,000</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**e) Foreign exchange income from the related parties (Note 27.1):**

	01.01.- 30.09.2015	01.01.- 30.09.2014	01.07.- 30.09.2015	01.07.- 30.09.2014
Akça Holding A.Ş.	14,972	-	6,807	-
Osman Akça T. Ürün. İth. İhr. San. ve Tic. A.Ş.	4,169,238	6,763,343	2,622,412	4,764,314
	<b>4,184,210</b>	<b>6,763,343</b>	<b>2,629,219</b>	<b>4,764,314</b>

**f) Interest income from related parties (Note 27.1):**

	01.01.- 30.09.2015	01.01.- 30.09.2014	01.07.- 30.09.2015	01.07.- 30.09.2014
Akça Holding A.Ş.	6,308	-	4,902	-
Osman Akça T. Ürün. İth. İhr. San. ve Tic. A.Ş.	10,077,177	6,398,833	3,627,425	2,751,968
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	4,653,915	3,479,763	1,615,855	1,187,653
Tan Elektrik Üretim A.Ş.	209,604	120,373	26,173	87,639
Akçasaraylı Tekstil Sanayi ve Ticaret Ltd. Şti.	73,460	-	55,177	-
Akça Solar Enerji Üretim San. ve Tic. A.Ş.	33,724	-	13,582	-
	<b>15,054,188</b>	<b>9,998,969</b>	<b>5,343,114</b>	<b>4,027,260</b>

**g) Foreign exchange expenses paid to the related parties (Note 27.2):**

	01.01.- 30.09.2015	01.01.- 30.09.2014	01.07.- 30.09.2015	01.07.- 30.09.2014
Osman Akça T. Ürün. İth. İhr. San. ve Tic. A.Ş.	1,629,506	366	1,203,936	-
	<b>1,629,506</b>	<b>366</b>	<b>1,203,936</b>	<b>-</b>

**h) Interest expenses paid to related parties (Note 27.2):**

	01.01.- 30.09.2015	01.01.- 30.09.2014	01.07.- 30.09.2015	01.07.- 30.09.2014
Osman Akça T. Ürün. İth. İhr. San. ve Tic. A.Ş.	485,721	126	290,312	-
	<b>485,721</b>	<b>126</b>	<b>290,312</b>	<b>-</b>



**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**i) Rent expenses paid to related parties:**

	<b>01.01.-</b> <b>30.09.2015</b>	<b>01.01.-</b> <b>30.09.2014</b>	<b>01.07.-</b> <b>30.09.2015</b>	<b>01.07.-</b> <b>30.09.2014</b>
Menderes Tekstil Pazarlama A.Ş.	252,000	-	84,000	-
Osman Akça T. Ürün. İth. İhr. San. ve Tic. A.Ş.	312,750	-	104,250	-
	<b>564,750</b>	<b>-</b>	<b>188,250</b>	<b>-</b>

**j) Maturity interest expenses paid to related parties (Note 27.2):**

	<b>01.01.-</b> <b>30.09.2015</b>	<b>01.01.-</b> <b>30.09.2014</b>	<b>01.07.-</b> <b>30.09.2015</b>	<b>01.07.-</b> <b>30.09.2014</b>
Osman Akça T. Ürün. İth. İhr. San. ve Tic. A.Ş.	4	-	-	-
Akça Enerji Üretim Otoprodüktör Grubu A.Ş.	-	18,956	-	-
Menderes Tekstil Pazarlama A.Ş.	-	66,952	-	-
Akçamen Tekstil Sanayi Ticaret A.Ş.	4,481	5,328	1,434	1,697
Akça Solar Üretim Sanayi Ticaret A.Ş.	-	6,821	-	675
	<b>4,485</b>	<b>98,057</b>	<b>1,434</b>	<b>2,372</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOT 7 – TRADE RECEIVABLES AND TRADE PAYABLES**

**Short Term Trade Receivables**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Trade receivables	49,057,063	36,003,124
Cheques and notes	192,204	329,520
Unearned interest on trade receivables	(103,079)	(149,741)
Doubtful trade receivables	698,128	247,204
Provision for doubtful receivables (-)	(698,128)	(247,204)
Income accruals	64,968	3,283,096
<b>Trade Receivables From Third Parties</b>	<b>49,211,156</b>	<b>39,465,999</b>
Receivables from related parties (Note 6-i-a)	9,132,668	1,739,552
Unearned interests on receivables from related parties (Note 6-i-a)	(47,371)	(31,921)
<b>Trade Receivables From Related Parties</b>	<b>9,085,297</b>	<b>1,707,631</b>
<b>Total Short-Term Trade Receivables</b>	<b>58,296,453</b>	<b>41,173,630</b>

Maturity schedule of notes receivables as of 30 September 2015 and 31 December 2014 are as following:

	<b>30.09.2015</b>	<b>31.12.2014</b>
1-30 days	101,044	89,629
31-60 days	35,000	90,000
61-90 days	56,160	90,223
91-120 days	-	59,668
	<b>192,204</b>	<b>329,520</b>

As of 30 September 2015 and 31 December 2014, movement of provision for doubtful receivables is as follows:

	<b>30.09.2015</b>	<b>31.12.2014</b>
Opening balance	247,204	251,802
Offsetting of balances that can not be collected (*)	-	(78,731)
Provision for the period	450,924	74,133
<b>Closing Balance</b>	<b>698,128</b>	<b>247,204</b>

(\*) The balances with no chance for collection and the provision reserved before were offsetting with each other.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**Short Term Trade Payables**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Trade payables	78,705,736	86,057,157
Unearned interests on trade payables	(910,134)	(599,091)
Notes payables	5,209,569	9,091,834
Unearned interests on notes payables	(53,832)	(55,845)
Expense accruals	306,802	20,896
<b>Trade Payables From Third Parties</b>	<b>83,258,141</b>	<b>94,514,951</b>
Due to related parties (Note 6-i-b)	5,016,248	5,217,753
Unearned interests on notes payables to related parties (Not 6-i-b)	(52,441)	(38,552)
<b>Trade Payables to Related Parties</b>	<b>4,963,807</b>	<b>5,179,201</b>
<b>Total Short Term Trade Payables</b>	<b>88,221,948</b>	<b>99,694,152</b>

As of 30 September 2015, sureties were given amounting to USD 4,366,430 ( TRY 13,288,357) and EUR 788,200 (TRY 2,696,589 for trade payables of the Group by bank (31.12.2014: USD 5,404,851 (TRY 12,533,309) and EUR 970,928 (TRY 2,738,694))(Note 18).

As of 30 September 2015 and 31 December 2014, maturity breakdown of notes payables are as following:

	<b>30.09.2015</b>	<b>31.12.2014</b>
1 – 30 days	2,568,952	5,987,947
31 – 60 days	1,736,760	3,073,887
61 – 90 days	903,857	15,000
91 – 120 days	-	15,000
	<b>5,209,569</b>	<b>9,091,834</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 8 – FINANCIAL BORROWINGS**

	<b>30.09.2015</b>	<b>31.12.2014</b>
<b>Short term borrowings:</b>		
TRY borrowings	922,532	810,488
USD borrowings	239,036,123	166,913,773
EUR borrowings	33,273,882	29,434,781
GBP borrowings	1,540,493	2,132,969
<b>Accrued interest of short term borrowings:</b>		
USD accrued interest of borrowings	1,055,547	724,106
EUR accrued interest of borrowings	283,956	106,859
<b>Short term financial borrowings</b>	<b>276,112,533</b>	<b>200,122,976</b>
<b>Lease Payables:</b>		
USD lease payables, net	134,035	239,423
EUR lease payables, net	6,751,635	5,865,339
<b>Borrowings:</b>		
USD borrowings	9,566,559	7,303,197
EUR borrowings	11,373,091	2,732,223
<b>Accrued interests of long term borrowings:</b>		
TRY accrued interest of borrowings	-	15,434
USD accrued interest of borrowings	22,687	346,480
EUR accrued interest of borrowings	990,256	72,802
<b>Current installments of long-term borrowings</b>	<b>28,838,263</b>	<b>16,574,898</b>
<b>Long term lease payables:</b>		
USD lease payables, net	-	41,115
EUR lease payables, net	9,114,816	11,675,999
<b>Long term borrowings:</b>		
USD borrowings	3,231,694	10,035,837
EUR borrowings	58,326,199	56,122,465
<b>Long term financial borrowings</b>	<b>70,672,709</b>	<b>77,875,416</b>
<b>Total financial liabilities</b>	<b>375,623,505</b>	<b>294,573,290</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

As of 30 September 2015 and 31 December 2014, maturity analyses of borrowings and other financial borrowings are as following:

	<b>30.09.2015</b>	<b>31.12.2014</b>
Within 3 months	143,800,664	67,496,284
Between 3 - 12 months	151,912,016	141,831,147
Between 1 - 5 years	50,422,086	55,539,329
More than 5 years	11,135,807	10,618,973
	<b>357,270,573</b>	<b>275,485,733</b>

As of 30 September 2015 and 31 December 2014, maturity schedule of long term bank borrowings are as following:

	<b>30.09.2015</b>	<b>31.12.2014</b>
Between 1-2 years	13,006,147	17,639,431
Between 2-3 years	11,349,204	10,066,044
Between 3-4 years	19,795,675	18,219,967
Between 4-5 years	6,271,060	9,613,887
Between 5-6 years	6,271,060	4,064,394
Between 6-7 years	4,864,747	6,554,579
	<b>61,557,893</b>	<b>66,158,302</b>

As of 30 September 2015, effective interest rates for USD, EUR and GBP bank loans are 2.84%, 4.28% and 3.40% respectively. (31.12.2014: USD-3.18%, EUR-4.16% and GBP-3.03%).

For the bank loans used, The Group has a pledge on their bank deposits.

The Group's shareholders and other group companies have guarantees on bank loans used by The Group.

Total amount of mortgage on lands and buildings for fixed assets of the Group given to financial institutions is USD 130,950,000 (TRY 398,520,135), EUR 21,000,000 (TRY 71,845,200) and TRY 73,910,000.

As of 30 September 2015 and 31 December 2014, details of financial leasing borrowings of Group are as follows:

	<b>30.09.2015</b>	<b>31.12.2014</b>
Short term lease payables	7,443,742	6,764,691
Cost of deferred lease payables (-)	(558,072)	(659,929)
	<b>6,885,670</b>	<b>6,104,762</b>
	<b>30.09.2015</b>	<b>31.12.2014</b>
Long term lease payables	9,466,907	12,328,066
Cost of deferred lease payables (-)	(352,091)	(610,952)
	<b>9,114,816</b>	<b>11,717,114</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

As of 30 September 2015, maturity schedule of repayment of lease payables are as follows:

	<b>Lease payables</b>	<b>Cost of deferred lease payables</b>	<b>Total liabilities</b>
Between 0 – 1 years	7,443,742	(558,072)	6,885,670
Between 1 – 2 years	5,879,848	(271,930)	5,607,918
Between 2 – 3 years	3,243,550	(76,573)	3,166,977
Between 3 – 4 years	343,509	(3,588)	339,921
	<b>16,910,649</b>	<b>(910,163)</b>	<b>16,000,486</b>

As of 31 December 2014, maturity schedule of repayment of lease payables are as follows::

	<b>Lease payables</b>	<b>Cost of deferred lease payables</b>	<b>Total liabilities</b>
Between 0 – 1 years	6,764,691	(659,929)	6,104,762
Between 1 – 2 years	5,915,720	(396,936)	5,518,784
Between 2 – 3 years	4,436,689	(175,501)	4,261,188
Between 3 – 4 years	1,885,658	(37,598)	1,848,060
Between 4 – 5 years	89,999	(917)	89,082
	<b>19,092,757</b>	<b>(1,270,881)</b>	<b>17,821,876</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 9 – OTHER RECEIVABLES AND PAYABLES**

**Other Current Receivables**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Deposit and guarantees given	1,847	44,083
VAT return receivables	8,698,738	3,828,462
<b>Other Receivables from Third Parties</b>	<b>8,700,585</b>	<b>3,872,545</b>
Due from shareholders (Note 6-i-c) (*)	37,143,249	31,524,587
Due from related parties (Note 6-i-c)	69,486,898	60,745,027
<b>Other Receivables From Related Parties</b>	<b>106,630,147</b>	<b>92,269,614</b>
	<b>115,330,732</b>	<b>96,142,159</b>

As of 30 September 2015, non-trade receivables from related parties comprise 22.31% of total current assets and 13.58% of total assets. (As of 31 December 2014, it composes 18.95% of the total current assets and 11.96% of total assets.)

(\*) The amount of TRY 36,780,800 from shareholders consists of financial receivables from Osman Akça Tarım Ürün. İth. İhr. San. Ve Tic. A.Ş. and is not based on any type of protocol. The amount has been exhibiting increases and decreases in the period, interest for the amount is calculated and reflected to the accompanying consolidated financial statements. For the period of 01.01-30.09.2015, the calculated interest for the amount, TRY 10,077,177 TL is recorded on the accompanying income statement.

**Other non-current receivables**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Deposits and guarantees given	66,177	26,184
	<b>66,177</b>	<b>26,184</b>

**Other current payables**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Deposit and guarantees received	-	6,000
Taxes and funds payables	1,513,251	1,836,158
<b>Other Payables to Third Parties</b>	<b>1,513,251</b>	<b>1,842,158</b>
Due to shareholders (Note 6-i-d)	815,445	98,828
Due to related parties (Note 6-i-d)	57,471	60,922
<b>Other Payables to Related Parties</b>	<b>872,916</b>	<b>159,750</b>
	<b>2,386,167</b>	<b>2,001,908</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 10 – DERRIVATIVE INSTRUMENTS**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Income accrual of forward exchange	238,999	1,614,300
	<b>238,999</b>	<b>1,614,300</b>
	<b>30.09.2015</b>	<b>31.12.2014</b>
Expense accrual of forward exchange	3,614,650	79,825
	<b>3,614,650</b>	<b>79,825</b>

**NOTE 11 – INVENTORIES**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Raw materials	87,244,762	84,238,080
Work in progress	84,152,495	65,553,737
Finished goods	37,958,091	37,940,314
Merchandises	342,610	78,508
Other inventories	949,941	602,982
	<b>210,647,899</b>	<b>188,413,621</b>

As of 30 September 2015, inventories of the Group are insured for amounting to TRY 160,500,000.

**NOTE 12 – BIOLOGICAL ASSETS**

**Current biological assets**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Biological assets (tomato)	3,447,677	4,449,108
	<b>3,447,677</b>	<b>4,449,108</b>

Group's biological assets consist of tomatoes. If available impairment and cost is indicated after provision in the consolidated financial statements. Due to no presence of active market for growing tomatoes, they were reflected in the accompanying combined financial statements with their costs minus if there is impairment in the cost then it is deducted.



**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 13 – PREPAID EXPENSES AND DEFERRED INCOME**

**Short term prepaid expenses**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Order advances given	1,446,480	3,567,984
Prepaid expenses	285,980	651,525
Advances given for business purposes	187,940	380,756
	<b>1,920,400</b>	<b>4,600,265</b>

**Long term prepaid expenses**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Advances given for purchases of tangible assets	318,490	303,577
Prepaid expenses	148,497	137,944
	<b>466,987</b>	<b>441,521</b>

**Short term deferred income**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Advances received	25,210,180	30,620,959
	<b>25,210,180</b>	<b>30,620,959</b>

**NOTE 14 – CURRENT PERIOD TAX INCOME ASSET**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Prepaid taxes and funds	228,442	5,404,563
	<b>228,442</b>	<b>5,404,563</b>

**NOTE 15 – INVESTMENTS VALUED WITH EQUITY PICK-UP METHOD**

As of 30 September 2015 and 31 December 2014, the Companies are as follows:

	<b>30.09.2015</b>	<b>Share (%)</b>	<b>31.12.2014</b>	<b>Share (%)</b>
Akça Enerji Üretim Dağıtım Otoprodüktör A.Ş.	-	%20	1,597,815	%20
Menderes Tekstil Pazarlama A.Ş.	10,709,582	%45	10,114,830	%45
Aktur Araç Muayene İstasyon İşletmeleri A.Ş.	117,258,665	%48	107,359,554	%48
Tan Elektrik Üretim A.Ş.	-	%21	540,440	%21
	<b>127,968,247</b>		<b>119,612,639</b>	

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

The total assets, liabilities and owner's equity of the investments which are evaluated by the equity pick up method with the summary income statement related to the periods ended 30 September 2015 and 31 December 2014 are as follows:

*Akça Enerji Üretim Otoprodüktör Grubu A.Ş.*

	<b>30.09.2015</b>	<b>31.12.2014</b>
Current Assets	10,308,163	19,047,886
Non-current Assets	74,446,342	70,963,871
<b>Total Assets</b>	<b>84,754,505</b>	<b>90,011,757</b>
Current liabilities	59,181,800	59,992,669
Non-current liabilities	28,839,821	22,030,012
Parent Company Equity	(3,267,116)	7,989,076
<b>Total Equities</b>	<b>84,754,505</b>	<b>90,011,757</b>
Sales, net	950,233	266,353
Cost of sales	(1,711,654)	(173,984)
Net profit / (loss)	(11,247,106)	(5,140,020)

As of 30 September 2015, Akça Enerji Üretim Otoprodüktör Grubu A.Ş. has construction in progress amounting to TRY 59,362 (31 December 2014: TRY 21,516,916).

*Menderes Tekstil Pazarlama A.Ş.*

	<b>30.09.2015</b>	<b>31.12.2014</b>
Current Assets	22,169,063	19,068,071
Non-current Assets	7,850,787	7,703,527
<b>Total Assets</b>	<b>30,019,850</b>	<b>26,771,598</b>
Current liabilities	5,944,815	4,068,670
Non-current liabilities	275,965	225,527
Parent Company Equity	23,799,070	22,477,401
<b>Total Equities</b>	<b>30,019,850</b>	<b>26,771,598</b>
Sales, net	56,576,473	76,841,674
Cost of sales	(53,670,215)	(73,019,872)
Net profit / (loss)	1,321,857	(513,288)

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

*Aktur Araç Muayene İstasyonları İşletmeciliği A.Ş.*

	<b>30.09.2015</b>	<b>31.12.2014</b>
Current Assets	70,258,213	26,767,441
Non-Current Assets	460,954,517	346,985,775
<b>Total Assets</b>	<b>531,212,730</b>	<b>373,753,216</b>
Current liabilities	88,543,188	46,133,559
Non-Current liabilities	202,557,861	103,950,020
Parent Company Equity	244,288,886	223,665,737
Minority interest	(4,177,205)	3,900
<b>Total Equities</b>	<b>531,212,730</b>	<b>373,753,216</b>
Sales, net	183,258,541	215,409,944
Cost of sales	(153,599,043)	(179,745,383)
Net profit / (loss)	25,929,962	31,080,991

*Tan Elektrik Üretim A.Ş.*

	<b>30.09.2015</b>	<b>31.12.2014</b>
Current Assets	1,579,270	1,297,413
Non-Current Assets	30,892,503	38,176,256
<b>Total Assets</b>	<b>32,471,773</b>	<b>39,473,669</b>
Current liabilities	15,727,487	30,635,446
Non-Current liabilities	25,281,323	6,264,696
Parent Company Equity	(8,537,037)	2,573,527
<b>Total Equities</b>	<b>32,471,773</b>	<b>39,473,669</b>
Sales, net	4,937,161	838,418
Cost of sales	(3,492,799)	(1,661,311)
Net profit / (loss)	(11,110,306)	(10,377,662)

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 16 – TANGIBLE FIXED ASSETS**

Cost Value	Land and land improvements	Buildings	Property, plant and equipment	Vehicles	Fixtures and fittings	Construction in progress	Total
<b>01 January 2014 Opening Balance</b>	<b>29,600,227</b>	<b>54,896,294</b>	<b>234,973,189</b>	<b>1,858,589</b>	<b>3,879,600</b>	<b>3,006,196</b>	<b>328,214,095</b>
Additions	5,077	2,750	5,835,334	270,754	3,481,721	26,554,595	36,150,231
Disposals	-	-	(2,623,905)	(451,226)	(28,656)	-	(3,103,787)
Transfers	528,716	7,649,471	20,453,485	-	502,132	(29,133,804)	-
<b>31 December 2014 closing balance</b>	<b>30,134,020</b>	<b>62,548,515</b>	<b>258,638,103</b>	<b>1,678,117</b>	<b>7,834,797</b>	<b>426,987</b>	<b>361,260,539</b>
Additions	42,000	55,464	1,168,389	274,727	2,302,800	7,261,806	11,105,186
Disposals	-	-	(3,686,974)	(93,618)	(45,925)	(58,582)	(3,885,099)
Transfers	423,238	597,308	5,299,250	-	588,939	(6,908,735)	-
<b>30 September 2015 closing balance</b>	<b>30,599,258</b>	<b>63,201,287</b>	<b>261,418,768</b>	<b>1,859,226</b>	<b>10,680,611</b>	<b>721,476</b>	<b>368,480,626</b>
<b>Accumulated Depreciation</b>							
<b>1 January 2014 Opening balance</b>	<b>2,798,638</b>	<b>14,002,790</b>	<b>174,946,788</b>	<b>595,737</b>	<b>1,600,080</b>	<b>-</b>	<b>193,944,033</b>
Additions	2,017,141	1,146,603	11,709,294	279,930	730,308	-	15,883,276
Foreign Currency Conversion Differences	-	-	(1,653,097)	-	-	-	(1,653,097)
Disposals	-	-	(2,419,321)	(206,900)	(666)	-	(2,626,887)
<b>31 December 2014 Closing Balance</b>	<b>4,815,779</b>	<b>15,149,393</b>	<b>182,583,664</b>	<b>668,767</b>	<b>2,329,722</b>	<b>-</b>	<b>205,547,325</b>
Additions	1,582,338	960,441	9,672,017	213,581	949,222	-	13,377,599
Disposals	-	-	(3,686,974)	(56,487)	(2,728)	-	(3,746,189)
<b>30 September 2015 closing balance</b>	<b>6,398,117</b>	<b>16,109,834</b>	<b>188,568,707</b>	<b>825,861</b>	<b>3,276,216</b>	<b>-</b>	<b>215,178,735</b>
<b>31.12.2014, Net Book Value</b>	<b>25,318,241</b>	<b>47,399,122</b>	<b>76,054,439</b>	<b>1,009,350</b>	<b>5,505,075</b>	<b>426,987</b>	<b>155,713,214</b>
<b>30.09.2015, Net Book Value</b>	<b>24,201,141</b>	<b>47,091,453</b>	<b>72,850,061</b>	<b>1,033,365</b>	<b>7,404,395</b>	<b>721,476</b>	<b>153,301,891</b>

As of 30 September 2015, the depreciation expense of tangible fixed assets for the period is TRY 13,377,599 (31 December 2014: TRY 15,883,276).

As of 30 September 2015, fixed assets are insured for TRY 193,759,149, EUR 12,548,500 (TRY 42,930,928) and USD 344,393 ( TRY 1,048,092)(31 December 2014: TRY 177,740,222; EUR 11,382,080 (TRY 32,105,433)).

Total amount of mortgage on lands and buildings for fixed assets of the Group given to financial institutions are USD 130,950,000 (TRY 398,520,135), EUR 21,000,000 (TRY 71,845,200) and TRY 73,910,000.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 17 – INTANGIBLE ASSETS**

<b>Cost Value</b>	<b>Rights</b>	<b>Other intangible assets</b>	<b>Total</b>
01 January 2014 Opening Balance	39,220	286,056	325,276
Additions	-	42,497	42,497
Disposals	-	(140,714)	(140,714)
31 December 2014 Closing Balance	39,220	187,839	227,059
Additions	-	139,444	139,444
30 September 2015 Closing Balance	39,220	327,283	366,503
<b>Accumulated Depreciation</b>			
01 January 2014 Opening Balance	16,147	142,469	158,616
Additions	8,826	72,991	81,817
Disposals	(583)	(100,563)	(101,146)
31 December 2014 Closing Balance	24,390	114,897	139,287
Additions	5,225	55,131	60,356
30 September 2015 Closing Balance	29,615	170,028	199,643
<b>31.12.2014, Net Book Value</b>	<b>14,830</b>	<b>72,942</b>	<b>87,772</b>
<b>30.09.2015, Net Book Value</b>	<b>9,605</b>	<b>157,255</b>	<b>166,860</b>

As of 30 September 2015, the amortization expense of intangible fixed assets for the period is TRY 60,356 (31 December 2014: TRY 81,817).

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOT 18 – KOŞULLU VARLIK VE BORÇLAR**

As of 30 September 2015 and 31 December 2014, the Group's guarantee / pledge / mortgage position are as following:

<b>Guarantees, security and mortgage (GSM) given by the Group</b>	<b>30.09.2015</b>	<b>31.12.2014</b>
A. Total Amount of GSM given on behalf of legal entity	673,769,992	845,138,611
B. Total Amount of GSM given for partnerships which included in full consolidation	None	11,460
C. Total Amount of GSM given for the purpose of guaranteeing third party loans to carry the regular trade activities	None	None
D. Total Amount of other GSM given	None	12,906,037
<i>i. Total Amount of GSM given for the Parent Company</i>	None	None
<i>ii. Total Amount of GSM Given for Other Group Companies not Included in B and C Clauses</i>	None	12,906,037
<i>iii. Total Amount of GSM Given for Third Parties not Included in C Clause</i>	None	None
<b>Total</b>	<b>673,769,992</b>	<b>858,056,108</b>

As of 30 September 2015, other GSM given by the Group is not. As of 31 December 2014, ratio which is other GSM given by the Group over its equity is 4%.

For the credits, sureties do not exist in favor of related parties by Group. Regarding to credit contracts of the Group, USD 68,000,000 (TRY 206,944,400) and TRY 157,250,000 sureties are provided by related parties ( Akça Holding and Osman Akça).(31 December 2014: None)

As of 30 September 2015, details of mortgage on lands and buildings are as following:

	Fx Currency	Fx Amount	Fx Rate	TRY Equivalent
Türkiye Vakıflar Bankası T.A.O	TRY	72,310,000	1.0000	72,310,000
Türkiye Vakıflar Bankası T.A.O	USD	130,950,000	3.0433	398,520,135
Türkiye Finans Katılım Bankası A.Ş.	TRY	1,600,000	1.0000	1,600,000
Türkiye Vakıflar Bankası T.A.O	EUR	21,000,000	3.4212	71,845,200
				<b>544,275,335</b>

As of 30 September 2015, details of the guarantee letters given are as following:

Details Of Guarantee Letters Given	Fx Currency	Fx Amount	Fx Rate	TRY Equivalent
Electricity Distribution Company	TRY	1,176,459	1.0000	1,176,459
Electricity Distribution Company	USD	2,750,000	3.0433	8,369,075
Custom Office	TRY	5,855,871	1.0000	5,855,871
Credit Guarantee	USD	1,115,000	3.0433	3,393,280
Other	TRY	770,346	1.0000	770,346
				<b>19,565,031</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

As of 30 September 2015, details of sureties given by banks for Group's trade payables are as follows:

	Fx Currency	Fx Amount	Fx Rate	TRY Equivalent
Türkiye Vakıflar Bankası T.A.O	USD	3,073,851	3.0433	9,354,651
Türkiye Vakıflar Bankası T.A.O	EUR	746,200	3.4212	2,552,899
Finansbank A.Ş.	USD	1,292,579	3.0433	3,933,706
Finansbank A.Ş.	EUR	42,000	3.4212	143,690
				<b>15,984,946</b>

As of 30 September 2015, the Group's time deposits within the 3 months have hypothec against loans used from Şekerbank T.A.Ş, USD 1,050,000 (TRY 3,195,465) and on demand deposits Denizbank A.Ş. TRY 45,000,000 (31.12.2014: TRY 20,000,000 and USD 1,850,000 (TRY 4,289,965)).

As of 30 September 2015, the Group's demand deposits longer than 3 months have hypothec USD 2,850,000 (TRY 8,673,405 ) from Şekerbank T.A.Ş. (31.12.2014: USD 2,050,000 (TRY 4,753,745 )).

As of 30 September 2015, bank details of the guarantee letters given are as following:

Bank Details of Guarantee Letters Given	Fx Currency	Fx Amount	Fx Rate	TRY Equivalent
Türkiye Vakıflar Bankası T.A.O.	TRY	5,945,414	1.0000	5,945,414
Türkiye Vakıflar Bankası T.A.O.	USD	2,750,000	3.0433	8,369,075
Türkiye Finans Katılım Bankası A.Ş.	TRY	58,000	1.0000	58,000
Alternatifbank A.Ş.	TRY	604,400	1.0000	604,400
Halk Bank A.Ş.	TRY	1,028,960	1.0000	1,028,960
Akbank Denizli Ticaret Şubesi	TRY	165,902	1.0000	165,902
Türkiye Finans Katılım Bankası A.Ş.	USD	1,115,000	3.0433	3,393,280
				<b>19,565,031</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

As of 30 September 2015, bank details of the general borrowing contracts are as following:

General Borrowing Contracts:	Fx Currency	Fx Amount	Fx Rate	TRY Equivalent
Albarakaturk A.Ş.	TRY	15,000,000	1.0000	15,000,000
Alternatif Bank A.Ş.	USD	6,000,000	3.0433	18,259,800
Denizbank A.Ş.	USD	9,000,000	3.0433	27,389,700
Eximbank A.Ş.	USD	25,000,000	3.0433	76,082,500
Finansbank A.Ş.	TRY	13,000,000	1.0000	13,000,000
Halk Bankası A.Ş.	TRY	10,000,000	1.0000	10,000,000
İşbankası A.Ş.	USD	9,500,000	3.0433	28,911,350
Odea Bank A.Ş.	TRY	33,000,000	1.0000	33,000,000
Şekerbank A.Ş.	USD	20,000,000	3.0433	60,866,000
Şekerbank A.Ş.	TRY	8,500,000	1.0000	8,500,000
Şekerbank A.Ş.	EUR	5,000,000	3.4212	17,106,000
Tekstilbank	USD	3,490,000	3.0433	10,621,117
Türkiye Finans katılım Bankası A.Ş.	TRY	30,000,000	1.0000	30,000,000
Türkiye Vakıflar Bankası T.A.O	TRY	21,100,000	1.0000	21,100,000
Türkiye Vakıflar Bankası T.A.O	USD	5,200,000	3.0433	15,825,160
				<b>385,661,627</b>

As of 30 September 2015, details of the guarantee checks given are as following:

Guarantee Checks Given	Bank Name	FX Currency	FX Amount	FX Rate	TRY Equivalent
Ekspo Factoring A.Ş.	Şekerbank T.A.Ş.	USD	9,059,100	3.0433	27,569,559
					<b>27,569,559</b>

As of 30 September 2015, details of the guarantee notes given are as following:

Guarantee Notes Given	FX Currency	FX Amount	FX Rate	TRY Equivalent
Eximbank	USD	712,750	3.0433	2,169,112
				<b>2,169,112</b>

As of 30 September 2015, bank details of the bonds are as following:

Bond	Bank Name	FX Currency	FX Amount	FX Rate	TRY Equivalent
Türk Eximbank	Türkiye Vakıflar Bankası T.A.O.	USD	5,000,000	3.0433	15,216,500
Türk Eximbank	Denizbank A.Ş.	USD	7,650,000	3.0433	23,281,245
Türk Eximbank	Şekerbank T.A.Ş.	USD	2,300,000	3.0433	6,999,590
Türk Eximbank	Finansbank A.Ş.	USD	1,000,000	3.0433	3,043,300
Türk Eximbank	Halkbank A.Ş.	USD	5,350,000	3.0433	16,281,655
Türk Eximbank	İş Bankası A.Ş.	USD	500,000	3.0433	1,521,650
Türk Eximbank	Türkiye Finans Katılım Bankası A.S	USD	2,400,000	3.0433	7,303,920
Türk Eximbank	Albaraka Türk	USD	650,000	3.0433	1,978,145
Türk Eximbank	Odeabank A.Ş.	USD	1,500,000	3.0433	4,564,950
					<b>80,190,955</b>



**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 19 – SHORT TERM PROVISIONS**

**Other Short Term Provisions**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Provision for the court cases	306,841	260,200
Provision for unused personnel leave	1,161,239	1,252,310
	<b>1,468,080</b>	<b>1,512,510</b>

**Long Term Provisions for Employee Benefits**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Provision for severance pay	18,385,742	9,612,627
	<b>18,385,742</b>	<b>9,612,627</b>

For the period of 01 January – 30 September 2015, average personnel number including subcontractors employed by the Group is 4,217 (01.01-31.12.2014: 4,378). The rate of retirement probability used is 99%.(01.01-31.12.2014: 95%)

For the period ended at 30 September 2015 and 31 December 2014, the movement schedule of severance pay provision is as following:

	<b>30.09.2015</b>	<b>31.12.2014</b>
Balance of 1 January	9,612,627	6,392,684
Increase in the period	1,431,719	868,861
Interest cost	1,462,065	1,272,959
Payments	(2,430,751)	(2,526,312)
Actuarial profit/(loss),net	8,310,082	3,604,435
<b>Balance at the end of the period</b>	<b>18,385,742</b>	<b>9,612,627</b>

**NOTE 20 – EMPLOYEE BENEFIT LIABILITIES**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Due to personnel	3,778,813	4,038,455
Social security deductions payable	1,785,559	1,680,325
	<b>5,564,372</b>	<b>5,718,780</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 21 – OTHER CURRENT ASSETS AND LIABILITIES**

**Other current assets**

	<b>30.09.2015</b>	<b>31.12.2014</b>
VAT carried forward	16,803,673	16,138,603
	<b>16,803,673</b>	<b>16,138,603</b>

**NOTE 22 – SHARE CAPITAL**

**22.1 Paid in Capital**

As of 30 September 2015, Group's paid in capital was divided into 250,000,000 shares as each valued at TRY 1 nominally (31 December 2014: 250,000,000 units).

As of 30 September 2015 and 31 December 2014, Group's paid in capital is as follows:

	<b>30.09.2015</b>		<b>31.12.2014</b>	
	<b>Share (%)</b>	<b>TRY</b>	<b>Share (%)</b>	<b>TRY</b>
Public Offered Shares	47.44%	118,589,944	51.93%	129,828,520
Akça Holding A.Ş.	50.17%	125,429,501	45.68%	114,208,053
Other	2.39%	5,980,555	2.39%	5,963,427
<b>Total</b>	<b>100.00%</b>	<b>250,000,000</b>	<b>100.00%</b>	<b>250,000,000</b>

According to Group's main article of association, more than half of the Members of Board required to be elected from the candidates which are pointed out from A Group shareholders.

**22.2 Capital Adjustment Differences**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Inflation adjustment difference in capital	485,133	485,133
	<b>485,133</b>	<b>485,133</b>

**22.3 Comprehensive Income (Expenses) Not To Be reclassified on Profit or Loss**

**22.3.1 Actuarial Benefit/ (Loss) of the Retirement Plans**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Actuarial benefit/ (loss) of the retirement plans	(5,893,381)	(1,181,579)
	<b>(5,893,381)</b>	<b>(1,181,579)</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**22.4 Restricted Reserves**

	<b>30.09.2015</b>	<b>31.12.2014</b>
Legal reserves	10,209,777	9,754,762
	<b>10,209,777</b>	<b>9,754,762</b>

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profits at the rate of 5 %, until the total reserve reaches a maximum of 20 % of the Group's share capital. The second legal reserve is appropriated at the rate of 10 % of all distributions in excess of 5 % of the Group's share capital. The first and second legal reserves are not available for distribution unless they exceed 50 % of the share capital, but may be used to absorb losses in the event that the general reserve is exhausted.

**Profit Distribution**

Dividend Capital Markets Board Communiqué prepared in accordance with article 13 of the "Profit Share Guide", published in the Official Gazette dated 23 January 2014 and entered into force on 1 February 2014. Regulations and explanations which are in the dividends declaration and dividends guide are summarized as follows;

Profit distribution will be determined by the general assembly, the dividend Distribution Policy is still within the framework of the decision of the general assembly will be distributed. Of subsidiaries profit distribution policy when determining whether or not to profit distribution or shall decide. In this context, profit distribution is arbitrary in principle. The CMB of the company's profit distribution policy according to the qualities of the different principles will be able to identify.

Of subsidiaries profit distribution policies:

Profit not distributed, share of profit rates, and these rates apply to the account pen, methods of payment and time, the share of profit in cash or as bonus shares cannot be distributed (for companies traded on the stock exchange), distributed profit share advance issues not regulated.

Amount of dividend to be distributed to the upper limit, in the statutory records, the relevant sources of profit distribution of the distributable amount to much. The profit share, as of the date of distribution to the existing shares, as a rule, are distributed evenly. Of shares acquired date of issuance and shall not be taken into account. Of shares acquired date of issuance and shall not be taken into account. According to the Turkish code of Commerce reserves to be allocated to the contract and the profit distribution policy prescribed for partners share of profit is not allocated unless otherwise reserve, to transfer profit to the next year.

Provided in the articles of privileged shares to owners of redeemed shares or, to the members of the board of directors, employees and non-shareholders, other persons may be given a share of the profits. However, the dividend determined for the shareholders in cash, and payment of dividend shares to owners, board members, employees and other persons, the dividend may not be paid. Communiqué, in principle, with the exception of preferred shares, deemed to be paid to the person in relation to the dividend amount in the articles of incorporation, a determination is not made, distributed to them the maximum amount to be distributed to the shareholders, a dividend of up to 1/4 could be envisaged. Share of persons other than the owner of the profit share to be distributed, and the payment in installments, the installment amounts, to the shareholders of installment payments to be made in proportion to, and shall be paid according to the same principles.

The new Capital Market Law and, therefore, the new Communiqué, the subsidiaries of the possibility of a donation. However, it is in the articles of association, the terms to be sought. The amount of the donations by the general assembly, which can be determined with the CMB upper limit will be able to bring.

Shares of companies traded on the stock exchange: in relation to the profit distribution proposal of the board of directors or on the distribution of profit share advance of the decision of the board of directors Statement of profit distribution or dividend advance distribution table announced to the public. Profit distribution table for the usual late on the agenda of the general assembly announced the date of public disclosure is mandatory.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**22.5 Retained Earnings / Losses**

In accordance with the communiqué Serial: XI No: 29, effective from 1 January 2008, and its related announcements, "Paid-in Share Capital", "Restricted Reserves Appropriated from Profit" and "Share Premium" should be presented with statutory amounts. The restatement differences arise during the application of the communiqué should be presented in "Adjustment to Share Capital", if the difference is resulted from paid-in share capital and not has not added to capital yet; should be presented in "Retained Earnings / Losses", if the difference is resulted from "Restricted Reserves Appropriated from Profit" and "Share Premium" and has not been subject to profit distribution or has not added to capital yet.

According to the decision dated 30 December 2003 and numbered 66/1630 of Capital Market Board, "Previous Year's Losses" account which arises from first time application of inflation adjustment on financial statements is taken into consideration as deductible item, during the calculation of distributable profit for the inflation adjusted financial statements under the profit distribution principles of the Capital Market Board. Nonetheless, it is also possible to set off "Previous Year's Losses" with the Company's current profit and accumulated profit. The remaining part of prior year' loss is possibly set off extraordinary reserves, legal reserves and inflation effect on shareholder's equity account, respectively.

In accordance with Turkish Commercial Code, legal reserves consist of first and second legal reserves. Until the Company's legal reserve reaches 20% of the nominal paid-up share capital, legal reserves are set aside as the first 5% of net income. The second legal reserve, on 5% of the Company's share capital is divided into 10% of all profits from the distribution. According to the Turkish Commercial Code, legal reserves for distribution unless they exceed 50%, but can be used to offset losses at the point of profit reserves have been exhausted.

**22.6 Minority Interest**

<b>30 September 2015</b>	<b>Total Shareholders' Equity</b>	<b>Profit/(Loss) of the Period</b>	<b>Parent Company Share</b>	<b>Minority Interests</b>	<b>Minority part of Shareholders' Equity</b>	<b>Minority part of Profit/(Loss)</b>
Smryna	9,181,211	(2,590,737)	%79	%21	1,373,016	(539,751)
					<b>1,373,016</b>	
<b>31 December 2014</b>	<b>Total Shareholders' Equity</b>	<b>Profit/(Loss) of the Period</b>	<b>Parent Company Share</b>	<b>Minority Interests</b>	<b>Minority part of Shareholders' Equity</b>	<b>Minority part of Profit/(Loss)</b>
Smryna	11,528,944	(2,317,471)	%79	%21	1,912,767	(482,806)
					<b>1,912,767</b>	

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 23 – SALES AND COST OF SALES**

**23.1 Sales**

	<b>01.01.- 30.09.2015</b>	<b>01.01.- 30.09.2014</b>	<b>01.07.- 30.09.2015</b>	<b>01.07.- 30.09.2014</b>
Domestic sales	83,081,363	102,748,496	18,619,555	26,492,433
Export sales	336,002,247	344,623,625	189,189,496	165,141,242
Other sales	1,625,505	1,034,218	451,810	644,187
	<b>420,709,115</b>	<b>448,406,339</b>	<b>208,260,861</b>	<b>192,277,862</b>
Sales returns	(285,401)	(700,785)	(113,454)	(564,794)
<b>Sales Income, (net)</b>	<b>420,423,714</b>	<b>447,705,554</b>	<b>208,147,407</b>	<b>191,713,068</b>

**23.2 Cost of Sales**

	<b>01.01.- 30.09.2015</b>	<b>01.01.- 30.09.2014</b>	<b>01.07.- 30.09.2015</b>	<b>01.07.- 30.09.2014</b>
Direct material expenses	283,585,340	340,387,870	101,212,086	115,703,571
Direct labor expenses	72,491,839	64,039,690	29,663,017	26,120,228
General production expenses	11,167,058	14,789,333	4,498,891	5,455,678
Depreciation expenses	11,350,120	9,249,844	3,776,257	3,348,030
<u>Changes in semi-finished goods</u>				
1. Beginning semi-finished goods (+)	65,553,737	41,578,636	(2,714,725)	-
2. Ending semi-finished goods (-)	(84,152,495)	(73,940,892)	15,449,578	5,236,628
Cost of finished goods produced	359,995,599	396,104,481	151,885,104	155,864,135
<u>Changes in finished goods inventory</u>				
1. Beginning inventory (+)	37,940,314	28,629,984	(1,787,950)	-
2. Ending inventory (-)	(37,958,091)	(53,388,587)	22,672,531	23,151,715
Cost of finished goods sold	359,977,822	371,345,878	172,769,685	179,015,850
<u>Cost of merchandises</u>				
1. Beginning Merchandise Inventory (+)	78,508	226,208	-	-
2. Purchases During the Period (+)	2,186,958	7,026,439	707,444	1,039,227
3. Ending Merchandise Inventory (-)	(342,610)	(175,772)	(168,165)	(150,962)
Cost of merchandises sold	1,922,856	7,076,875	539,279	888,265
Cost of other service rendered	493,211	536,246	17,931	-
Cost of other sales	-	-	-	-
Cost of biological assets	8,116,032	6,277,973	456,369	782,825
Depreciation of biological assets	1,714,857	1,662,986	573,202	555,738
<b>Cost of sales, net</b>	<b>372,224,778</b>	<b>386,899,958</b>	<b>174,356,466</b>	<b>181,242,678</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

As of 01 January – 30 September 2015 and 2014, for each main sales group, quantities of goods and services:

	<b>Unit</b>	<b>01.01.- 30.9.2015</b>	<b>01.01.- 30.9.2014</b>
Yarn	Kg	1,125,183	3,654,253
Raw Clothing	m <sup>2</sup>	23	17,197
Finishing Cloth	m <sup>2</sup>	13,040,790	16,292,818
Lining	m <sup>2</sup>	17,162,347	18,163,302
Linens, Sheets, Curtains, Pillows	Unit	12,936,942	13,843,973
Electricity	Kwh	301,310	510,890
Cotton Waste	Kg	470,460	551,020
Piece of Cloth	Kg	2,931,962	3,604,575
Yarn Waste	Kg	587,273	924,940
Textile Trash Powder	Kg	52,540	59,420
Tomato	Kg	4,578,338	3,712,074

As of 01 January – 30 September 2015 and 2014, for each main production group, quantities of goods and services:

	<b>Unit</b>	<b>01.01.- 30.9.2015</b>	<b>01.01.- 30.9.2014</b>
Yarn	Kg	9,760,322	9,908,193
Raw Clothing	m <sup>2</sup>	97,776,827	99,663,367
Finishing Cloth	m <sup>2</sup>	125,780,286	160,181,163
Lining	m <sup>2</sup>	18,143,111	18,410,866
Linens, Sheets, Curtains, Pillows	Unit	12,651,586	14,427,338
Electricity	Kwh	56,653,861	58,799,169
Cotton Waste	Kg	471,249	563,116
Piece of Cloth	Kg	3,814,446	4,756,435
Yarn Waste	Kg	578,700	952,030
Textile Trash Powder	Kg	52,540	59,420
Tomato	Kg	4,578,338	3,712,074

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 24 – GENERAL ADMINISTRATIVE EXPENSES AND MARKETING, SALES AND DISTRIBUTION EXPENSES**

	<b>01.01.-</b>	<b>01.01.-</b>	<b>01.07.-</b>	<b>01.07.-</b>
	<b>30.09.2015</b>	<b>30.09.2014</b>	<b>30.09.2015</b>	<b>30.09.2014</b>
Marketing, sales and distribution expenses	10,410,337	11,360,225	4,252,740	4,408,830
General administrative expenses	8,546,036	4,571,487	2,328,699	1,573,895
	<b>18,956,373</b>	<b>15,931,712</b>	<b>6,581,439</b>	<b>5,982,725</b>

**24.1 Marketing, Sales and Distribution Expenses**

	<b>01.01.-</b>	<b>01.01.-</b>	<b>01.07.-</b>	<b>01.07.-</b>
	<b>30.09.2015</b>	<b>30.09.2014</b>	<b>30.09.2015</b>	<b>30.09.2014</b>
Personnel expenses	3,873,332	3,713,386	1,442,190	1,618,950
Export expenses	5,981,074	5,209,796	2,661,001	1,647,474
Transportation of domestic sale	83,654	1,212,712	38,373	765,438
Depreciation expenses	20,094	19,138	8,016	6,121
Other expenses	452,183	1,205,193	103,160	370,847
	<b>10,410,337</b>	<b>11,360,225</b>	<b>4,252,740</b>	<b>4,408,830</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**  
(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**24.2 General Administrative Expenses**

	<b>01.01.- 30.09.2015</b>	<b>01.01.- 30.09.2014</b>	<b>01.07.- 30.09.2015</b>	<b>01.07.- 30.09.2014</b>
Personnel expenses	703,634	246,900	286,480	26,091
Insurance expenses	670,521	580,637	228,716	202,646
Representation and accommodation expenses	129,223	143,106	34,398	59,615
Communication expenses	111,422	94,857	45,055	31,401
Rent expenses	173,217	125,155	59,493	44,636
Education and consultancy expenses	210,819	164,674	41,846	45,849
General administrative material consumption	477,071	207,430	361,034	55,560
Capital market expenses	56,393	62,500	-	-
Repair and maintenance expenses	48,224	618	4,495	116
Traveling expenses	302,454	257,027	177,457	73,138
Membership expenses	14,826	7,544	-	-
Tax and duty expenses	654,798	464,476	34,074	87,024
Shares in holding cost (*)	331,678	191,916	120,478	83,222
Notary and insurance expenses	16,273	20,467	2,758	9,913
Aid and donation expenses	1,257,678	87,898	26,500	24,355
Consulting expenses	128,273	161,996	52,676	84,535
Electricity expenses	255,146	232,191	87,760	81,482
Lawsuit expenses and provisions	115,646	144,895	112	582
Severance pay provision expenses	1,421,299	41,473	679,038	26,184
Provision for unused leave	-	-	(216,850)	-
Provision for doubtful receivables	450,924	26,122	-	-
Depreciation expenses	352,884	701,337	152,489	161,354
Office rent expenses	252,000	31,500	84,000	10,500
Other expenses	411,633	576,768	66,690	465,692
	<b>8,546,036</b>	<b>4,571,487</b>	<b>2,328,699</b>	<b>1,573,895</b>

(\*) Composed of the personnel expenses reflected to Group by Akça Holding.

**NOTE 25 – INCOME/ EXPENSE FROM OTHER OPERATIONS**

**25.1 Income From Other Operations**

	<b>01.01.- 30.09.2015</b>	<b>01.01.- 30.09.2014</b>	<b>01.07.- 30.09.2015</b>	<b>01.07.- 30.09.2014</b>
Reversal of unnecessary provision	91,221	1,264,756	91,221	494,272
Foreign exchange gain	7,414,966	14,383,948	5,220,538	7,316,391
Discount income / expenses on payables, net	1,198,069	1,290,227	(111,313)	(13,404)
Prior period income and profit	8,276	105,330	-	-
S.S.I. incentive income	2,291,828	2,016,888	597,702	773,271
Incentive and support income	684,672	132,352	63,373	43,278
Other income and profit	354,130	703,111	95,339	322,941
	<b>12,043,162</b>	<b>19,896,612</b>	<b>5,956,860</b>	<b>8,936,749</b>



**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**25.2 Expenses from Other Operations (-)**

	<b>01.01.-</b> <b>30.09.2015</b>	<b>01.01.-</b> <b>30.09.2014</b>	<b>01.07.-</b> <b>30.09.2015</b>	<b>01.07.-</b> <b>30.09.2014</b>
Commissions expenses	(20,041,350)	(15,743,835)	(16,728,985)	(7,958,385)
Foreign exchange losses	(16,677,089)	(6,813,500)	(7,506,183)	(2,680,614)
Discount income / (expenses) on trade receivables	(843,938)	(1,220,738)	65,859	(49,980)
Other expenses and losses	(148)	(175,286)	(148)	(4)
	<b>(37,562,525)</b>	<b>(23,953,359)</b>	<b>(24,169,457)</b>	<b>(10,688,983)</b>

**NOTE 26 – INVESTMENT ACTIVITIES INCOME / EXPENSE**

**26.1 Income from Investment Activities**

	<b>01.01.-</b> <b>30.09.2015</b>	<b>01.01.-</b> <b>30.09.2014</b>	<b>01.07.-</b> <b>30.09.2015</b>	<b>01.07.-</b> <b>30.09.2014</b>
Rent income	339,748	-	106,023	-
Profit on sale of fixed assets	102,939	389,884	5,726	208,664
	<b>442,687</b>	<b>389,884</b>	<b>111,749</b>	<b>208,664</b>

**26.2 Profit / Loss From Investments Evaluated by Equity Method**

	<b>01.01.-</b> <b>30.09.2015</b>	<b>01.01.-</b> <b>30.09.2014</b>	<b>01.07.-</b> <b>30.09.2015</b>	<b>01.07.-</b> <b>30.09.2014</b>
Shares Related with Investment Valued by the Equity Method	8,355,608	6,940,159	450,064	1,944,150
	<b>8,355,608</b>	<b>6,940,159</b>	<b>450,064</b>	<b>1,944,150</b>

**26.3 Expenses from Investment Activities(-)**

	<b>01.01.-</b> <b>30.09.2015</b>	<b>01.01.-</b> <b>30.09.2014</b>	<b>01.07.-</b> <b>30.09.2015</b>	<b>01.07.-</b> <b>30.09.2014</b>
Losses on sale of fixed assets	-	(69,179)	-	(64,679)
	<b>-</b>	<b>(69,179)</b>	<b>-</b>	<b>(64,679)</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 27 – FINANCIAL INCOME / EXPENSES**

**27.1 Financial Income**

	<b>01.01.-</b> <b>30.09.2015</b>	<b>01.01.-</b> <b>30.09.2014</b>	<b>01.07.-</b> <b>30.09.2015</b>	<b>01.07.-</b> <b>30.09.2014</b>
Interest income	401,006	430,140	131,324	135,351
Maturity differences due from related parties (6-iii-f)	15,054,188	9,998,969	5,343,114	4,027,260
Foreign exchange income	4,934,382	17,856,824	2,067,187	1,679,911
Foreign exchange income from related parties (6-iii-e)	4,184,210	6,763,343	2,629,219	4,764,314
Foreign exchange income arising from future contracts	1,266,458	2,460,878	(980,668)	744,271
	<b>25,840,244</b>	<b>37,510,154</b>	<b>9,190,176</b>	<b>11,351,107</b>

**27.2 Financial Expenses (-)**

	<b>01.01.-</b> <b>30.09.2015</b>	<b>01.01.-</b> <b>30.09.2014</b>	<b>01.07.-</b> <b>30.09.2015</b>	<b>01.07.-</b> <b>30.09.2014</b>
Interest expenses	(7,907,922)	(6,866,032)	(2,795,132)	(2,661,276)
Interest expenses on related parties (6-iii-h)	(485,721)	(126)	(290,312)	-
Foreign exchange losses	(84,635,769)	(42,611,649)	(49,316,579)	(22,182,130)
Foreign exchange losses on related parties (6-iii-g)	(1,629,506)	(366)	(1,203,936)	-
Commission expenses of borrowing	(3,176,525)	(2,043,146)	(1,018,576)	(750,169)
Commission expenses of letter of guarantees	(105,200)	(45,468)	(30,974)	(19,698)
Maturity differences expenses on related parties (6-iii-j)	(4,485)	(98,057)	(1,434)	(2,372)
Foreign exchange losses arising from futures contracts	(8,662,218)	(2,058,619)	(3,791,702)	(206,540)
Other financial expenses	(1,464,384)	(730,153)	(457,795)	(241,366)
	<b>(108,071,730)</b>	<b>(54,453,616)</b>	<b>(58,906,440)</b>	<b>(26,063,551)</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

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**NOTE 28 – TAX ASSETS AND LIABILITIES**

Group is liable to corporation tax valid in Turkey. The necessary provisions are made on the attached financial statements for expected tax liabilities related to the group's current period activity results.

Corporation tax rate that will be accrued over corporation tax base is calculated over the tax base that remains after adding expenses recorded as expense in determination of commercial earnings that are nondeductible from tax base and subtracting tax-exempt profit, tax-free income and other deductions (if there are losses from previous years and used investment allowances if preferred).

The applied effective interest rate in the year of 2015 is 20% (2014: 20%).

Permanent tax is calculated and accrued quarterly in Turkey. As of temporary tax periods, the effective corporation tax rate is 20% in 2015 (2014: 20%).

There is no absolute and certain confirmation procedure related to tax evaluation in Turkey. Companies prepare their tax return between 1-25 Aprils coming after the related year's balancing period (for the companies having special account period, between 1-25 of fourth month following the closing of period). These tax returns and related accounting records may be inspected and changed by tax department in five years.

There are some exceptions on Corporation Tax Law. These exceptions that company will possibly utilize are explained as below;

*Taxable losses*

According to Turkish Tax Legislation, deduction of financial losses which are decelerated on financial statements, are possible to deduct from profit of the company with the condition not exceeding 5 years. However, financial losses are not possible to be set-off from previous year profits.

*Issue Premium Exception*

The Premium income provided by the disposing of stocks, formed while the establishments of Incorporated Companies or while increasing their capital, below their nominal values is an exemption from Corporation tax.

*The Real Estate and Subsidiary Share Sales Gain Exemption*

The 75% of income of corporations composed of subsidiary shares, real estates, privilege, and promoter's stock and perpetual bonds are exemptions of Corporation tax. In order to benefit from exemption, the questioned income should be kept in a fund account in liabilities and should not be removed of operation during 5 years. The sale price should be received at the end of the following 2nd calendar year. Corporations getting income from the sale of such kind of values they own, like Stocks and bonds and real estate trading and renting are beyond the scope of exemption.

*Investment Allowance Exemptions*

Post abolishment of the law numbered 5479, temporary 69 th article is added to Income Tax Legislation related investment allowance.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

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According to this execution, Income and Corporation Taxpayers;

a. As of 31 December 2005, its existence is subject and the investment allowance amount that was not able to be deducted from 2005 earnings,

b. In the extent of investment incentive certificate which were issued and based on the application before 24 April 2003, ante abolishment of Income Tax Legislation numbered 193 and dated 09 April 2003 and law numbered 4842, in the extent of certificate the commenced investment projects relying on 1, 2, 3, 4, 5 and 6th the article of appendix and the ones commenced after 01 January 2006,

c. In the extent of abolished 19th article of Income Tax Legislation numbered 193, the started investments prior to 01 January 2006, in terms of economical and technical completeness the ones started post the date,

In terms of regulatory provisions effective on 31 December 2005, calculated amounts of exemptions from investment allowances, again in the extent of legal provisions valid on 31 December 2005 (including tax rate related legal provisions) was deducted merely from earnings of 2006, 2007 and 2008. However, with the decision numbered 2006/95, which was taken during the meeting of the Constitutional Court on 15 October 2009, the phrase "... only related to the years 2006, 2007 and 2008..." which was a part of the Temporary Article 69 of the Income Tax Law was cancelled and the cancellation became effective from the date the decision has been published in the Official Gazette on 8 January.2010. According to the decision, the investment incentive amount outstanding that cannot be deducted from 2008 taxable income previously will be deducted from taxable income of the subsequent profitable years.

Regarding the cancellation decision taken by the Constitutional Court, an amendment was made in the 69th article in Income Tax Regulation using the regulation numbered 6009 and dated 23/07/2010. Consequently, in compliance with the cancellation decision of the Constitutional Court, the year limitation has been abolished and investment allowance has been limited to 25% of the profit. Corporate tax ratio of 30% in the previous regulation for the ones who benefit from investment allowance has been decreased to the effective corporate tax with the amendment made (2010: 20%).

Within the frame of the Communiqué "Decision regarding Government Incentive Assistance in Investment" dated 16 July 2009 and numbered 2009/01, newly investing companies are held subject to investment incentives based on the some regions.

Investment incentives and grants are; discount in corporation and income taxes (differs from region to region), provision for the investment, interest support.

Group is qualified for the investment incentives stated above due to the current and future investment expenditures. The investment area is within the 2nd Region according to the law numbered 5520, article 32/A; so the Company is qualified for 55% discount on corporation tax rate, which reduces corporation tax rate to 9% in accordance with Communiqué, 20% of total investment expenditures will be deducted from accrued corporation tax amount in the coming periods.

**Withholding tax**

In addition to Corporation tax, it is required to calculate withholding tax from the dividends distributed by full pledge taxpayer enterprise and include in its income tax base and except dividends distributed by foreign companies to its subsidiary in Turkey. As of 23 July 2006 income tax stoppage rate was changed as 15%. Dividends that are added to capital without distribution are not subject to income tax stoppage. It is necessary to make tax withholding at 19.8% over investment allowance balance utilized based on investment incentive certificate taken before 24 April 2003. 40% of group activities directly related to production investment certificate investment expenses made after this date can be deducted. Tax withholding cannot be made on investment expenses without incentive certificate.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

*Deferred Tax:*

The potential deferred tax assets/(liabilities) of the Group represents the tax effects of temporary differences, arising between the financial statements reported for Communiqué purposes and the statutory tax financial statements. Such differences arise due to the different treatment of certain items of income and expense included in the Communiqué financial statements compared to the local tax return, in accordance with applicable tax laws.

As of balance sheet date, accumulated temporary differences and deferred tax assets and liabilities prepared by using current applicable tax rate is as follows:

	30.09.2015		31.12.2014	
	Cumulative temporary differences	Deferred tax / (liability)	Cumulative temporary differences	Deferred tax / (liability)
<u>Deferred tax assets:</u>				
Rediscount on receivables	150,450	30,090	181,662	36,333
Severance pay provision	19,546,981	3,909,396	10,864,937	2,172,987
Reversal of capitalized financial expenses	32,441,594	6,488,319	9,707,810	1,941,562
Reversal of capitalized on buildings	3,656,129	182,806	3,656,129	182,806
Tangible fixed assets (except land, building, land improvements and depreciations excluded), net	25,257,811	5,051,562	19,666,963	3,933,392
Tangible fixed assets (land, building, land improvements and depreciations), net	-	-	2,653,971	132,699
Financial fixed assets	2,750,000	137,500	2,209,560	110,478
Provision for the court cases	260,802	52,160	214,160	42,832
Forward	3,375,651	675,130	-	-
Deductible retained losses	42,401,960	8,480,392	-	-
Other	260,240	52,047	11,513	2,302
<b>Deferred tax assets</b>		<b>25,059,402</b>		<b>8,555,391</b>
<u>Deferred tax liabilities:</u>				
Financial fixed assets	11,509,238	575,462	2,613,191	130,660
Tangible fixed assets (land, building, land improvements and depreciations), net	1,355,785	67,790	-	-
Rediscount on payables	1,016,407	203,281	693,488	138,698
Foreign exchange differences	826,221	165,244	657,261	131,452
Forward	-	-	1,534,475	306,895
Other	12,305	2,461	64,130	12,826
<b>Deferred tax liabilities</b>		<b>1,014,238</b>		<b>720,531</b>
<b>Deferred tax assets/(liabilities), net</b>		<b>24,045,164</b>		<b>7,834,860</b>

For the period ended at 30 September 2015 and 2014, movements of deferred tax assets and liabilities are as following:

	01.01.- 30.09.2015	01.01.- 30.09.2014
Current corporation tax	-	(4,392,617)
Deferred tax assets/(liabilities), net	15,032,356	(2,372,757)
	<b>15,032,356</b>	<b>(6,765,374)</b>
	01.01.- 30.09.2015	01.01.- 31.12.2014
<b>Deferred Tax (Asset) / Liability Movements</b>		
Opening Balance	7,834,860	9,886,357
Deferred Tax Expence / (income)	15,032,356	(2,267,123)
Actuarial (gain) / loss effect prior periods	1,177,948	215,626
<b>Closing Balance</b>	<b>24,045,164</b>	<b>7,834,860</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 29 – EARNINGS PER SHARE**

	<b>01.01.-</b> <b>30.09.2015</b>	<b>01.01.-</b> <b>30.09.2014</b>
Net profit / (loss) for the period	(54,677,635)	24,369,165
Weighted-average number of shares outstanding (per share with TRY 1 value)	250,000,000	250,000,000
<b>Profit per share (TRY)</b>	<b>(0.2187)</b>	<b>0.0975</b>

**NOTE 30 – FINANCIAL INSTRUMENTS**

<b>Finansal varlıklar</b>	<b>30.09.2015</b>	<b>31.12.2014</b>
Liquid Assets	59,104,561	124,275,728
Trade receivables	58,296,453	41,173,630
Other Receivables	115,396,909	96,168,343
Financial Assets	11,973,474	4,809,201
<b>Financial liabilities</b>		
Borrowings	359,623,019	276,751,414
Lease payables	16,000,486	17,821,876
Other payables	2,386,167	2,001,908
Trade payables	88,221,948	99,694,152

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 31 – NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS**

**Financial Instruments**

**Credit Risk**

Group is subject to credit risk arising from trade receivables related to credit sales and deposits at banks. These risks are managed by limiting the aggregate risk from any individual counterparty and obtaining sufficient collateral where necessary and making only cash based sales to customer considered as having a higher risk. Collect ability of trade receivables are evaluated by management depending on their past experiences and current economic condition, and presented in the financial statements net of adequate doubtful provision.

Group allocated the provision for doubtful receivables if there is objective evidence about the loan/credit will not stay the collection of the possibilities. Moreover, a possible impairment of financial assets are reviewed for the purpose of determining the carrying value and fair value of financial assets and is tested by comparing.

As of 30 September 2015, maximum net credit risk is as following:

	Trade Receivables		Other Receivables		Time Deposits
	Related Party	Third Party	Related Party	Third Party	
<b>Maximum net credit risk as of balance sheet date (A+B+C+D+E)</b>	9,085,297	49,211,156	106,630,147	8,766,762	59,077,139
The part of maximum risk under guarantee with collateral	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	9,085,297	49,211,156	106,630,147	8,766,762	59,077,139
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	-	-	-	-	-
The part under guarantee with collateral etc	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
Past due (gross carrying amount)	-	698,128	-	-	-
Impairment (-)	-	(698,128)	-	-	-
The part of net value under guarantee with collateral etc	-	-	-	-	-
Not past due (gross carrying amount)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of net value under guarantee with collateral etc	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-

31 December 2014, maximum net credit risk is as following:

	Trade Receivables		Other Receivables		Time Deposits
	Related Party	Third Party	Related Party	Third Party	
<b>Maximum net credit risk as of balance sheet date (A+B+C+D+E)</b>	1,707,631	39,465,999	92,269,614	3,898,729	124,126,889
The part of maximum risk under guarantee with collateral	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	1,707,631	39,465,999	92,269,614	3,898,729	124,126,889
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	-	-	-	-	-
The part under guarantee with collateral etc	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
Past due (gross carrying amount)	-	247,204	-	-	-
Impairment (-)	-	(247,204)	-	-	-
The part of net value under guarantee with collateral etc	-	-	-	-	-
Not past due (gross carrying amount)	-	-	-	-	-
Impairment (-)	-	-	-	-	-
The part of net value under guarantee with collateral etc	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**Liquidity risk**

Liquidity risk is the Group's possibility of not fulfilling net funding liabilities. Occurrence of events like deteriorations in markets or decrease in credit score that causes decreases in fund resources, are reasons of liquidity risk.

As of 30 September 2015, Group's liquidity risk table is shown below:

<b>Liabilities</b>		<b>30 September 2015</b>				
<b>Maturities according to agreement</b>	<b>Book Value</b>	<b>Contractual total cash out flow (=I+II+III+IV)</b>	<b>Less than 3 monts (I)</b>	<b>3 - 12 months (II)</b>	<b>1- 5 Years (III)</b>	<b>More than 5 Years (IV)</b>
<b>Financial Liabilities Non Derivatives</b>	<b>497,006,172</b>	<b>517,463,180</b>	<b>223,798,868</b>	<b>215,380,147</b>	<b>66,607,298</b>	<b>11,676,867</b>
Financial borrowings	359,623,019	378,153,457	150,770,146	158,566,053	57,140,391	11,676,867
Financial leasing	16,000,486	16,910,649	1,896,851	5,546,891	9,466,907	-
Trade payables	88,221,948	89,238,355	64,054,246	25,184,109	-	-
- <i>Related parties</i>	4,963,807	5,016,248	5,016,248	-	-	-
- <i>Third parties</i>	83,258,141	84,222,107	59,037,998	25,184,109	-	-
Other liabilities	33,160,719	33,160,719	7,077,625	26,083,094	-	-
- <i>Related parties</i>	872,916	872,916	-	872,916	-	-
- <i>Third parties</i>	32,287,803	32,287,803	7,077,625	25,210,178	-	-
	<b>497,006,172</b>	<b>517,463,180</b>	<b>223,798,868</b>	<b>215,380,147</b>	<b>66,607,298</b>	<b>11,676,867</b>



**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

As of 31 December 2014, Group's liquidity risk table is shown below:

Liabilities	31 December 2014					
	Book Value	Contractual total cash out flow (=I+II+III+IV)	Less than 3 months (I)	3 - 12 months (II)	1- 5 Years (III)	More than 5 Years (IV)
<b>Financial Liabilities Non Derivatives</b>	<b>432,609,089</b>	<b>451,446,380</b>	<b>179,766,538</b>	<b>185,222,664</b>	<b>75,163,698</b>	<b>11,293,480</b>
Financial borrowings	276,751,414	293,624,336	70,304,604	149,190,620	62,835,632	11,293,480
Financial leasing	17,821,876	19,092,757	1,698,987	5,065,704	12,328,066	-
Trade payables	99,694,152	100,387,640	100,208,009	179,631	-	-
- Related parties	5,179,201	5,217,753	5,217,753	-	-	-
- Third parties	94,514,951	95,169,887	94,990,256	179,631	-	-
Other liabilities	38,341,647	38,341,647	7,554,938	30,786,709	-	-
- Related parties	159,750	159,750	-	159,750	-	-
- Third parties	38,181,897	38,181,897	7,554,938	30,626,959	-	-
	<b>432,609,089</b>	<b>451,446,380</b>	<b>179,766,538</b>	<b>185,222,664</b>	<b>75,163,698</b>	<b>11,293,480</b>

**Interest Rate Risk**

The Group's financial liabilities exposure the Group to interest rate risk. The Group's financial liabilities mainly consist of fixed rate borrowings. As of 30 September 2015, according to the current balance sheet position, in the case of 1% decrease / increase and keeping fixed all the variables the Group's net profit will increase / decrease TRY 1,816,433.

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**Foreign currency risk**

The effects occurring from exchange rate fluctuation, in case of having foreign currency assets, liabilities, off-balance sheet liabilities, are foreign currency risk. Transactions in foreign currencies during the year have been translated at the exchange rate prevailing at dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the balance sheet dates. Foreign exchange gains or losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities are recognized in the statement of profit/loss. Monetary liabilities of the Company exceed monetary assets of the Company; in case of exchange rate rise, the Company is exposed to foreign currency risk.

*Foreign currency risk sensitivity*

As of 30 September 2015, if TRY evaluates / devaluates against foreign currency by 10% and all other variables remains the same, profit before tax which occurs as a result of the foreign exchange loss / gain arising from net foreign exchange exposure would have been TRY 41,023,742 more / less.

	Profit / (Loss)		Shareholders' Equity	
	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY
In the case of increasing / losing value of TRY by 10% against USD				
1-USD net asset / liability	(24,330,908)	24,330,908	(24,330,908)	24,330,908
2-Part of hedged from USD risk (-)	-	-	-	-
<b>3-USD net effect (1+2)</b>	<b>(24,330,908)</b>	<b>24,330,908</b>	<b>(24,330,908)</b>	<b>24,330,908</b>
In the case of increasing / losing value of TRY by 10% against EUR				
4- EUR net asset / liability	(16,265,036)	16,265,036	(16,265,036)	16,265,036
5- Part of hedged from EUR risk (-)	-	-	-	-
<b>6-EUR net effect (4+5)</b>	<b>(16,265,036)</b>	<b>16,265,036</b>	<b>(16,265,036)</b>	<b>16,265,036</b>
In the case of increasing / losing value of TRY by 10% against GBP				
7- GBP net asset / liability	(438,843)	438,843	(438,843)	438,843
8- Part of hedged from GBP risk (-)	-	-	-	-
<b>9- GBP net effect 7+8)</b>	<b>(438,843)</b>	<b>438,843</b>	<b>(438,843)</b>	<b>438,843</b>
In the case of increasing / losing value of TRY by 10% against CHF				
10- CHF net asset / liability	11,045	(11,045)	11,045	(11,045)
11- Part of hedged from CHF risk (-)	-	-	-	-
12-CHF net effect (10+11)	11,045	(11,045)	11,045	(11,045)
<b>TOTAL (3+6+9+12)</b>	<b>(41,023,742)</b>	<b>41,023,742</b>	<b>(41,023,742)</b>	<b>41,023,742</b>

As of 31 December 2014, if TRY evaluates / devaluates against foreign currency by 10% and all other variables remains the same, profit before tax which occurs as a result of the foreign exchange loss / gain arising from net foreign exchange exposure would have been TRY 31,237,530 more / less.

	Profit / (Loss)		Shareholders' Equity	
	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY	Appreciation of foreign currency against TRY	Depreciation of foreign currency against TRY
In the case of increasing / losing value of TRY by 10% against USD				
1-USD net asset / liability	(20,056,920)	20,056,920	(20,056,920)	20,056,920
2-Part of hedged from USD risk (-)	-	-	-	-
<b>3-USD net effect (1+2)</b>	<b>(20,056,920)</b>	<b>20,056,920</b>	<b>(20,056,920)</b>	<b>20,056,920</b>
In the case of increasing / losing value of TRY by 10% against EUR				
4- EUR net asset / liability	(11,553,164)	11,553,164	(11,553,164)	11,553,164
5- Part of hedged from EUR risk (-)	-	-	-	-
<b>6-EUR net effect (4+5)</b>	<b>(11,553,164)</b>	<b>11,553,164</b>	<b>(11,553,164)</b>	<b>11,553,164</b>
In the case of increasing / losing value of TRY by 10% against GBP				
7- GBP net asset / liability	372,554	(372,554)	372,554	(372,554)
8- Part of hedged from GBP risk (-)	-	-	-	-
<b>9- GBP net effect 7+8)</b>	<b>372,554</b>	<b>(372,554)</b>	<b>372,554</b>	<b>(372,554)</b>
<b>TOTAL (3+6+9)</b>	<b>(31,237,530)</b>	<b>31,237,530</b>	<b>(31,237,530)</b>	<b>31,237,530</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

As of 30 September 2015, amounts of assets and liabilities of the Group in foreign currency are as follows:

<b>FOREIGN EXCHANGE POSITION</b>					
	<b>TRY</b>				<b>30</b>
	<b>equivalent</b>				<b>September</b>
	<b>functional</b>				<b>2015</b>
	<b>currency</b>	<b>USD</b>	<b>EUR</b>	<b>GBP</b>	<b>CHF</b>
1. Trade Receivables	43,046,620	8,716,904	3,798,867	763,795	-
2a. Monetary Financial Assets (including cash and banks)	8,912,923	1,572,339	1,174,259	-	35,344
2b. Non-monetary financial assets	-	-	-	-	-
3. Other	90,083	-	-	19,537	-
<b>4. Current Assets (1+2+3)</b>	<b>52,049,626</b>	<b>10,289,243</b>	<b>4,973,126</b>	<b>783,332</b>	<b>35,344</b>
5. Trade Receivables	-	-	-	-	-
6a. Monetary financial receivables	11,973,474	3,934,372	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7. Other	-	-	-	-	-
<b>8. Non-Current Assets (5+6+7)</b>	<b>11,973,474</b>	<b>3,934,372</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9. Total Assets (4+8)</b>	<b>64,023,100</b>	<b>14,223,615</b>	<b>4,973,126</b>	<b>783,332</b>	<b>35,344</b>
10. Trade Payables	50,121,397	13,778,914	2,391,993	985	-
11. Financial Liabilities	297,159,606	82,048,634	13,422,338	334,098	-
12a. Other monetary financial liabilities	23,386,480	37,680	6,802,236	-	-
12b. Other non-monetary financial liabilities	-	-	-	-	-
<b>13. Current Liabilities (10+11+12)</b>	<b>370,667,483</b>	<b>95,865,228</b>	<b>22,616,567</b>	<b>335,083</b>	<b>-</b>
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	61,557,894	1,061,904	17,048,463	-	-
16a. Other monetary financial liabilities	-	-	-	-	-
16b. Other non-monetary financial liabilities	-	-	-	-	-
<b>17. Non-Current Liabilities (14+15+16)</b>	<b>61,557,894</b>	<b>1,061,904</b>	<b>17,048,463</b>	<b>-</b>	<b>-</b>
<b>18. Total Liabilities (13+17)</b>	<b>432,225,377</b>	<b>96,927,132</b>	<b>39,665,030</b>	<b>335,083</b>	<b>-</b>
<b>19. Net asset/(liabilities) position of off-balance sheet derivative instruments(19a-19b)</b>	<b>(42,035,138)</b>	<b>2,754,425</b>	<b>(12,850,000)</b>	<b>(1,400,000)</b>	<b>-</b>
19a. Off-balance sheet foreign currency derivative assets	27,403,167	9,004,425	-	-	-
19b. Off-balance sheet foreign currency derivative liabilities	69,438,305	6,250,000	12,850,000	1,400,000	-
<b>20. Net foreign currency asset / liabilities (9-18+19)</b>	<b>(410,237,415)</b>	<b>(79,949,092)</b>	<b>(47,541,904)</b>	<b>(951,751)</b>	<b>35,344</b>
<b>21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(368,292,360)</b>	<b>(82,703,517)</b>	<b>(34,691,904)</b>	<b>428,712</b>	<b>35,344</b>
<b>22. Fair value of derivative instruments used in foreign currency hedge</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>23. Exports</b>	<b>169,566,740</b>	<b>35,826,104</b>	<b>19,955,328</b>	<b>2,097,581</b>	<b>-</b>
<b>24. Imports</b>	<b>166,185,165</b>	<b>56,507,519</b>	<b>4,944,835</b>	<b>13,248</b>	<b>77,811</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

As of 31 December 2014, amounts of assets and liabilities of the Group in foreign currency are as follows:

<b>FOREIGN EXCHANGE POSITION</b>				
	<b>TRY equivalent functional currency</b>	<b>USD</b>	<b>EURO</b>	<b>GBP</b>
				<b>31 December 2014</b>
1. Trade Receivables	20,349,361	20,681	5,123,717	1,626,466
2a. Monetary Financial Assets (including cash and banks)	12,018,124	4,634,912	445,523	3,766
2b. Non-monetary financial assets	-	-	-	-
3. Other	31,461,273	13,567,326	-	-
<b>4. Current Assets (1+2+3)</b>	<b>63,828,758</b>	<b>18,222,919</b>	<b>5,569,240</b>	<b>1,630,232</b>
5. Trade Receivables	-	-	-	-
6a. Monetary financial receivables	4,809,201	2,073,915	-	-
6b. Non-monetary financial assets	-	-	-	-
7. Other	-	-	-	-
<b>8. Non-Current Assets (5+6+7)</b>	<b>4,809,201</b>	<b>2,073,915</b>	<b>-</b>	<b>-</b>
<b>9. Total Assets (4+8)</b>	<b>68,637,959</b>	<b>20,296,834</b>	<b>5,569,240</b>	<b>1,630,232</b>
10. Trade Payables	53,456,599	20,696,073	1,937,276	-
11. Financial Liabilities	209,782,624	75,448,061	11,590,437	593,134
12a. Other monetary financial liabilities	23,019,104	68,103	8,103,383	1,103
12b. Other non-monetary financial liabilities	-	-	-	-
<b>13. Current Liabilities (10+11+12)</b>	<b>286,258,327</b>	<b>96,212,237</b>	<b>21,631,096</b>	<b>594,237</b>
14. Trade Payables	-	-	-	-
15. Financial Liabilities	66,158,302	4,327,844	19,896,644	-
16a. Other monetary financial liabilities	-	-	-	-
16b. Other non-monetary financial liabilities	-	-	-	-
<b>17. Non-Current Liabilities (14+15+16)</b>	<b>66,158,302</b>	<b>4,327,844</b>	<b>19,896,644</b>	<b>-</b>
<b>18. Total Liabilities (13+17)</b>	<b>352,416,629</b>	<b>100,540,081</b>	<b>41,527,741</b>	<b>594,237</b>
<b>19. Net asset/(liabilities) position of off-balance sheet derivative instruments(19a-19b)</b>	<b>(28,596,625)</b>	<b>(6,250,000)</b>	<b>(5,000,000)</b>	<b>-</b>
19a. Off-balance sheet foreign currency derivative assets	-	-	-	-
19b. Off-balance sheet foreign currency derivative liabilities	28,596,625	6,250,000	5,000,000	-
<b>20. Net foreign currency asset / liabilities (9-18+19)</b>	<b>(312,375,295)</b>	<b>(86,493,247)</b>	<b>(40,958,501)</b>	<b>1,035,995</b>
<b>21. Net foreign currency asset / liability position of monetary items (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(315,239,943)</b>	<b>(93,810,574)</b>	<b>(35,958,501)</b>	<b>1,035,995</b>
<b>22. Fair value of derivative instruments used in foreign currency hedge</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>23. Exports</b>	<b>467,599,695</b>	<b>213,724,866</b>	<b>-</b>	<b>-</b>
<b>24. Imports</b>	<b>235,795,052</b>	<b>107,774,378</b>	<b>-</b>	<b>-</b>

**MENDERES TEKSTİL SANAYİ VE TİCARET ANONİM ŞİRKETİ**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT**  
**30 SEPTEMBER 2015**

(Currency - Turkish Lira 'TRY' unless expressed otherwise.)

**NOTE 32 – FINANCIAL INSTRUMENTS (STATEMENTS OF FAIR VALUES AND STATEMENTS WITHIN ACCOUNTING ENSURING FINANCIAL RISK)**

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists. The estimated fair values of financial instruments have been determined by the Group using available markets information in Turkey and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented here in are not necessarily indicative of the amounts the Group could realize in a current market exchange.

Financial Assets

Monetary assets for which fair value approximates carrying value:

- Balances denominated in foreign currencies are converted at period exchange rates.
- The fair value of certain financial assets carried at cost, including cash and cash equivalents are considered to approximate their respective carrying amounts in the financial statements.
- The carrying value of trade receivables, net of allowances for possible non-recovery of uncollectible are considered to approximate their fair values.

Financial Liabilities

Monetary liabilities for which fair value approximates carrying value:

- The fair value of short-term bank loans and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.
- The fair values of long-term bank borrowings, which are denominated in foreign currencies and converted at period exchange rates, are considered to approximate their carrying values.
- The carrying amount of accounts payable and accrued expenses reported in the financial statements for estimated third party payer set TRY amounts approximates its fair values.

Capital Risk Management

In capital management, the Group aims at enhancing profitability while keeping a reasonable leverage, on the other hand rendering sustainability in its operations.

The Company follows capital by using debt to equity ratio. This rate is found by dividing net debt to total equity. Net debt is calculated by deducting cash and cash equivalents from total payable amount (as shown in balance sheet, trade and other payables and loans). Total capital, as shown in balance sheet, is calculated by adding up equity and net debt.

As of 30 September 2015 and 31 December 2014, net debt / total equity ratio is as follows:

	<b>30.09.2015</b>	<b>31.12.2014</b>
Total debts	521,488,882	448,535,470
Liquid assets	(59,104,561)	(124,275,728)
Net debt	462,384,321	324,259,742
Total equity	263,532,992	322,922,429
Total capital	725,917,313	647,182,171
Net Debt/Total Equity Ratio	64%	50%