Doğtaş Kelebek Mobilya
Sanayi ve Ticaret Anonim Şirketi

Condensed Consolıdated Interım
Fınancıal Informatıon
For The Perıod 1 January – 31 March 2016

Doğtaş Kelebek Mobilya Sanayi ve Ticaret Anonim Şirketi

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Doğtaş Kelebek Mobilya Sanayi ve Ticaret A.Ş.

Consolıdated Balance Sheet At 31 March 2016
(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

	Notes	Not audited 31 March 2016	Audited 31 December 2015
Assets			
Cash and cash equivalents	4	**1,973,272**	7,177,720
Trade receivables	5	**84,140,936**	81,052,856
- Trade receivables from related parties	*5*	***1,809,264***	*2,225,082*
- Trade receivables from third parties	*5*	***82,331,672***	*78,827,774*
Trade receivables from third parties	6	**3,911,457**	3,763,297
Inventories	7	**114,403,671**	105,264,234
Current income tax assets	19	**442,037**	398,612
Prepaid expenses	8	**21,998,225**	23,858,053
Other current assets	8	**3,552,889**	2,308,193
Current assets		**230,422,487**	223,822,965
Assets classified as held for sale	10	**426,200**	566,200
Total current assets		**230,848,687**	224,389,165
Trade receivables	5	**775,624**	828,995
Other receivables	6	**388,901**	387,324
Available-for-sale financial assets	9	**9,469,958**	9,469,958
Investment properties	11	**56,173**	56,476
Property, plant and equipment	12	**148,022,107**	147,336,781
Intangible assets	13	**20,822,692**	20,943,216
Prepaid expenses	8	**16,213**	16,213
Deferred tax assets	19	**1,653,442**	1,266,862
Non-current assets		**181,205,110**	180,305,825
Total assets		**412,053,797**	404,694,990

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

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

		Not audited	**Audited**
-	**Notes**	**31 March 2016**	31 December 2015
Lıabılıtıes			
Short-term borrowings	14	**80,539,401**	59,645,357
Short-term portion of long term borrowings	14	**35,393,659**	34,147,189
Trade payables	5	**106,688,393**	126,184,832
- Due to related parties	*5,20*	***87,056***	-
- Due to other parties	*5*	***106,601,337***	*126,184,832*
Payables related to employee benefits	6	**4,997,182**	4,766,784
Other payables	6	**340,825**	475,797
- Other payables from other parties	*6*	***252***	*252*
- Other payables from related parties	*6*	***340,573***	*475,545*
Deferred revenue	8	**32,090,947**	23,418,945
Short-term provisions	15	**3,321,546**	1,980,179
- Other provisions	*15*	***3,321,546***	*1,980,179*
Other current liabilities	8	**1,361,911**	1,162,270
Total current liabilities		**264,733,864**	251,781,353
Long-term borrowings	14	**109,873,843**	109,547,560
Other payables	6	**588,998**	588,998
Long-term provisions		**6,005,526**	6,250,518
- Long-term provisions related to employee benefits	*16*	***5,584,238***	*5,878,408*
- Other long-term provisions	*15*	***421,288***	*372,110*
Deferred revenue	8	**116,720**	116,720
Deferred tax liabilities	19	**-**	612,188
Total non-current liabilities		**116,585,087**	117,115,984
Equity			
Share capital		**209,069,767**	209,069,767
Reverse merger capital differences		**(159,069,767)**	(159,069,767)
Share premium	18	**282,945**	282,945
Treasury shares (-)	18	**(5,367,595)**	(5,367,595)
Other comprehensive income/expense not to be reclassified to profit or loss			
- Increase on revaluation of property and equipment		**44,867,770**	45,166,056
- Actuarial gain arising from employee benefits		**1,106,913**	1,518,839
Accumulated deficit		**(56,111,483)**	(28,677,323)
Legal reserves		**607,177**	607,177
Net loss for the period		**(4,650,881)**	(27,732,446)
Total equity	18	**30,734,846**	35,797,653
Total liabilities and equity		**412,053,797**	404,694,990

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

Doğtaş Kelebek Mobilya Sanayi ve Ticaret A.Ş.

Consolidated Statement Of Comprehensive Income
For The Period Between 1 January - 31 March 2016
(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated

	Notes	Not audited 1 January - 31 March 2016	Not audited 1 January-31 March 2015
Revenue		**83,809,196**	78,644,899
Cost of sales (-)		**(51,870,975)**	(51,389,175)
Gross profit		**31,938,221**	27,255,724
Marketing expenses (-)		**(21,356,039)**	(18,513,817)
General administrative expenses (-)		**(7,546,816)**	(4,342,597)
Research and development expenses (-)		**(1,005,630)**	(412,246)
Other operating income		**2,009,739**	3,443,449
Other operating expenses (-)		**(1,232,265)**	(2,687,682)
Operating profit		**2,807,210**	4,742,831
Income from investing activities		**180,818**	23,732
Expense from investing activities (-)		**(24,415)**	(67,302)
Financial income		**2,105,807**	1,013,606
Financial expense (-)		**(10,616,088)**	(24,283,475)
Profit/(Loss) before tax		**(5,546,668)**	(18,570,608)
Taxation on income			
- Deferred tax (expense)/income	19	**895,787**	3,624,510
Profit/(Loss) for the period		**(4,650,881)**	(14,946,098)
Items not to be classified to profit or loss			
Remeasurement differences		**(514,908)**	(320,003)
Deferred tax effect		**102,982**	64,001
Other comprehensive loss		**(411,926)**	(256,002)
Total comprehensive income/(loss)		**(5,062,807)**	(15,202,100)
Earnings/(Losses) per share	23	**(0.022)**	(0.072)

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

Consolidated Statement Of Chances In Equıty
For The Period Between 1 January - 31 March 2016
(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

	Share capital	Share premium	Treasury shares	Revaluation reserves	Remeasurement differences	Accumulated losses	Net profit for the period	Total equity
Balance at 1 January 2015	50,000,000	282,945	(5,367,595)	34,006,514	1,461,215	(17,712,991)	(11,267,649)	51,402,439
Transferred to previous year's losses	-	-	-	-	-	(11,267,649)	11,267,649	-
Transfers	-	-	-	(239,685)	-	239,685	-	-
Total comprehensive loss	-	-	-	-	(256,002)	-	(14,946,098)	(15,202,100)
Balance at 31 March 2015	50,000,000	282,945	(5,367,595)	33,766,829	1,205,213	(28,740,955)	(14,946,098)	36,200,339
Balance at 1 January 2016	**50,000,000**	**282,945**	**(5,367,595)**	**45,166,056**	**1,518,839**	**(28,070,146)**	**(27,732,446)**	**35,797,653**
Transferred to previous year's losses	**-**	**-**	**-**	**-**	**-**	**(27,732,446)**	**27,732,446**	**-**
Transfers	**-**	**-**	**-**	**(298,286)**	**-**	**298,286**	**-**	**-**
Total comprehensive loss	**-**	**-**	**-**	**-**	**(411,926)**	**-**	**(4,650,881)**	**(5,062,807)**
Balance at 31 March 2016	**50,000,000**	**282,945**	**(5,367,595)**	**44,867,770**	**1,106,913**	**(55,504,306)**	**(4,650,881)**	**30,734,846**

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

Doğtaş Kelebek Mobilya Sanayi ve Ticaret A.Ş.

Consolidated Statements Of Cash Flow For The Period 1 January 2016-31 March 2016 (Amounts expressed in Turkish ("TL") unless otherwise stated.)

		Not audited	Not audited
	Notes	**31 March 2016**	31 March 2015
Cash Flows From Operating Actıvıtıes			
Net loss for the period		**(5,546,668)**	(18,570,608)
Corrections for inclusion of earning before tax for the period in the operating cash flow:			
Depreciation and amortisation	11, 12, 13	**3,455,091**	3,112,377
For employment termination benefits	16	**139,875**	223,098
Adjustments related to guarantee		**1,242,317**	379,136
Adjustments related to other provisions		**1,192,358**	484,830
Rediscount receivables	5	**247,199**	(754,891)
Provision for doubtful receivables in the current period	5	**(84,902)**	130,706
Rediscount on notes payable	5	**(101,173)**	-
Adjustments to gain/(loss) on sale of property and equipment		**64,547**	43,570
Interest expense		**5,319,000**	3,105,556
Foreign exchange gains/losses		**1,215,318**	23,639,130
Interest income		**(9,542)**	(82,410)
Net cash flow before changes in business assets and liabilities		**7,133,420**	11,710,494
Changes in net working capital			
Adjustments related to increases in trade receivables		**(3,346,740)**	(10,013,850)
Adjustments related to increases in inventories		**(9,139,437)**	(4,319,110)
Changes in prepaid expenses and other current assets		**615,132**	589,237
The (decrease)/increase in debts under commercial debts, other debts, and benefits offered to employees		**(19,299,840)**	5,798,366
Other short-term liabilities		**199,640**	3,710
Other long-term liabilities and deferred income		**8,672,002**	(2,542,256)
Warranty expenses paid		**(1,222,892)**	(247,507)
Tax payments		**(43,425)**	(88,713)
Employee termination benefits paid	16	**(770,191)**	(297,682)
Cash generated from/ (used in) operations		**(17,202,331)**	592,689
Cash flow originating from investment activities			
Interest received		**9,542**	82,410
Cash outflows from purchases of tangible and intangible assets	10, 11, 12, 13	**(4,063,499)**	(2,673,368)
Proceeds from disposal of tangible and intangible assets		**119,363**	264,893
Net cash generated from investing activities		**(3,934,594)**	(2,326,065)
Cash flow originating from financing activities			
Interest paid		**(5,319,000)**	(5,742,939)
Proceeds from bank borrowings		**86,613,800**	66,894,393
Cash outflows due to payments of bank borrowings		**(65,362,323)**	(47,243,990)
Changes in financial leasing liabilities		**-**	(328,204)
Net cash derived from financing activities		**15,932,477**	13,579,260
Net increase in cash and cash equivalents		**(5,204,448)**	11,845,884
Cash and cash equivalents balance at the beginning of the period		**7,177,720**	19,212,856
Cash and cash equivalents balance at the end of the period	4	**1,973,272**	31,058,740

1. Organisation And Nature Of Operations

Trade name of the company:

Doğtaş Kelebek Mobilya Sanayi ve Ticaret Anonim Şirketi.

Registered head office:

Rüzgarlıbahçe Mahallesi Kavak Sokak No:31/1 B Blok Smart Plaza Kat:4-5 Kavacık, Beykoz - İstanbul.

Registered market:

The Company is registered in Capital Market Board ("CMB") and its shares have been traded in Borsa İstanbul A.Ş. ("BİST") since 1990 (formerly known as "Istanbul Stock Exchange") under the name DGKLB. As of 31 March 2016, 7.89% of its shares are open for trading.

Nature of operations:

The main operating segment is production and sale of furnitures.

The Company's production facilities are located at Doğanlı Köyü 9. km Düzce and İdriskoru Köyü Hacıvenez Mevkii No: 29 Biga Çanakkale and both locations are owned by the Company itself.

Kelebek Mobilya ve Kontrplak Sanayi A.Ş. was founded in Istanbul in 1935. Legal name of the Company which were Kelebek Mobilya ve Kontrplak Sanayi A.Ş. has been changed to Kelebek Mobilya Sanayi ve Ticaret A.Ş. by the decision taken in extraordinary general assembly meeting dated 12 December 2003 and registered to Trade Registry Gazette of Turkey on 29 December 2003.

A chain of retail stores established in 2006 in order to operate in furniture and trade goods sale by 3K Mobilya Dekorasyon San. Ve Tic. A.Ş. ("3K"), which is a subsidiary of the Company. In 2013, the Company has transferred the stores (8 units) to franchisees owned by 3K. 2K Oturma Grupları İnşaat Taahhüt Sanayi ve Ticaret A.Ş. which also is a subsidiary of the Company ceased its operations as of 28 March 2007 and the production facilities were terminated.
Doğtaş Mobilya Pazarlama Ticaret A.Ş. ("Doğtaş Pazarlama") which is a subsidiary of the Company was established in 1996 and operates in selling and marketing of furniture and sofa groups and commercial products. Doğtaş Pazarlama has no branches in Turkey as of 31 March 2016 (2015: None).

Doğ-taş Doğanlar Mobilya İmalat Enerji Üretim Sanayi ve Ticaret A.Ş. ("Doğtaş İmalat") acquired 67% shares of Kelebek Mobilya Sanayi ve Ticaret A.Ş. on 6 September 2012.

In 2013, the merger transaction has been completed in accordance with Turkish Commercial Code Law No. 6102 clause 136 and other merger related clauses in which were Corporate Tax Law article 18, 19, 20, Capital Markets Law from the identifiable net assets of Doğ-Taş Doğanlar Mobilya İmalat Enerji Üretim Sanayi A.Ş. as at 31 December 2013. The merger transaction has been registered on 21 October 2013 and the legal name of the Company changed as Doğtaş Kelebek Mobilya Sanayi ve Ticaret A.Ş.

1. Organisation And Nature Of Operations (Continued)

Consolidated financial statements were approved by the Company's Board of Directors to be published on 10 May 2016. The General Assembly and related legal entities have the right to amend the financial statements prepared in accordance with the legal regulations and the financial tables in this consulate.

The shareholding structure of Doğtaş Kelebek Mobilya Sanayi ve Ticaret A.Ş. as of 31 March 2016 and 31 December 2015 is as follows:

	31 March 2016		31 December 2015	
Shareholder	**TL**	**Proportion of ownership (%)**	**TL**	**Proportion of ownership (%)**
International Furniture B.V.	**96,284,884**	**%46.05**	96,284,884	%46.05
Davut Doğan	**16,047,503**	**%7.68**	16,047,503	%7.68
Adnan Doğan	**16,047,484**	**%7.68**	16,047,484	%7.68
Şadan Doğan	**16,047,474**	**%7.68**	16,047,474	%7.68
İsmail Doğan	**16,047,474**	**%7.68**	16,047,474	%7.68
İlhan Doğan	**16,047,474**	**%7.68**	16,047,474	%7.68
Murat Doğan	**16,047,474**	**%7.68**	16,047,474	%7.68
Other	**16,500,000**	**%7.68**	16,500,000	%7.89
Total	**209,069,767**	**%100**	209,069,767	%100

As of 31 March 2016 and 31 December 2015, the paid-in share capital of the Company is TL 209,069,767. However, the portion of the capital amounting to TL 159,069,767 is attributable to Doğ-Taş Doğanlar Mobilya İmalat Enerji Üretim Sanayi A.Ş. and Kelebek Mobilya Sanayi ve Ticaret A.Ş. during the merger.

The subsidiaries within the Group and their nature of operations are as follows:

Subsidiaries	**Registered gösterdiği ülke**	**Nature of operation**
Doğtaş Mobilya Pazarlama Ticaret A.Ş. (“Doğtaş Pazarlama”)	Turkey	Sales and marketing of furniture
Doğtaş Bulgaria Eood (“Doğtaş Bulgaria”) (**)	Bulgaria	Sales and marketing of furniture
Doğtaş Holland B.V. (“Doğtaş Holland”) (***)	Nederland	Sales and marketing of furniture
Doğtaş Germany Gmbh. (“Doğtaş Germany”) (****)	Germany	Sales and marketing of furniture
2K Oturma Grupları İnşaat ve Taahhüt San. ve Tic. A.Ş. (“2K”)	Turkey	Sales of sitting group
3K Mobilya Dekor. San. ve Tic. A.Ş. (“3K”)	Turkey	Furniture decoration

(**) Doğtaş İmalat held 100% of the shares of Doğtaş Bulgaria Eood registered in Bulgaria with a capital of 40,000 Bulgarian levs as of March 16, 2010.

(***) Doğtaş İmalat founded the company Doğtaş Holland B.V. Şirketi registered in the Netherlands with a capital of €18,000 on September 20, 2011. The company was established as a single shareholder, and has a paid-up capital of €18,000.

(****) Doğtaş İmalat founded Doğtaş Germany GmbH registered in Germany with a capital of €25,000 on February 17, 2011. The company was established as a single shareholder, and has a paid-up capital of €25,000.

The Company’s subsidiaries, Doğtaş Holland B.V., Doğtaş Bulgaria Eood and Doğtaş Germany GmbH have been determined as immaterial subsidiaries with respect to the consolidated financial statements by the Group management and classified under available-for-sale financial assets in the consolidated financial statements.

As of 31 March 2016, the number of employees of the Company and its subsidiaries (collectively referred to as the "Group") is 1,321 (31 December 2015: 1,355).

1. Organisation And Nature Of Operations (Continued)

Adequacy of the Company's share capital under the Turkish Commercial Code:

As a result of the merger between Doğ-Taş Doğanlar Mobilya İmalat Enerji Üretim Sanayi A.Ş. and Kelebek Mobilya Sanayi ve Ticaret A.Ş. in 2013, share capital reached to TL 209,069,767 and while the share capital of the Company were increased to TL 159,069,767 "Reverse Merger Differences" account was charged at the same amount, with respect to Series I, No. 31 of the Communiqué on Principles Regarding Merger Transactions. Such entries were recorded under the books prepared in accordance with Turkish Commercial Code and Capital Market.

2. Basıs Of Preparation Of Financial Statements

2.1 The main principles of the presentation of interim consolidated summary financial statements

Financial reporting standards

The consolidated financial statements are prepared in accordance with Communiqué Serial II, No: 14.1,"Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, consolidated financial statements are prepared in accordance with the Turkish Accounting Standards ("TAS") issued by Public Oversight Accounting and Auditing Standards Authority ("POAASA"). TAS contains Turkish Accounting Standards, Turkish Financial Reporting Standards ("TFRS") and its addendum and interpretations.

The consolidated financial statements of the Group for the interim period that ended on March 31, 2016, were prepared in accordance with the Turkish Accounting Standard (TAS) 34 Interim Financial Reporting. The summary interim financial statements do not contain all information and annotations that must be included in annual financial statements, and should be read with the Group's annual financial statements prepared as of December 31, 2015.

The Group and its Turkish subsidiaries maintains their books of accounts and prepares their statutory financial statements in accordance with the principles issued by CMB, the Turkish Commercial Code ("TCC"), tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance The consolidated financial statements were edited with the corrections and classifications required for an accurate presentation to the legal records as per the Turkish Accounting Standards published by the Public Oversight, Accounting and Auditing Standards Board (KGK). Such corrections are made up of deferred taxes, severance pay, categorization of the depreciation of financial assets on economic life and the principle of per diem deduction, recognition of provisions, implementation of the TFRS 3 Business Combinations standard, recognition of certain property, plant and equipment at fair value, and rediscounting the commercial receivables and payables in general. The consolidated financial statements were prepared on the basis of historical cost except for certain property, plant and equipment groups represented at fair value.

The functional and presentation currency

Each item in the financial tables of the group companies was accounted for on the basis of the currency applicable to the economic environment in which the companies operate ("the functional currency"). The Turkish lira, the functional currency of the Company and the presentation currency of the Group, was used in the consolidated financial statement. The functional currency of the partners covered by the consolidation is the Turkish lira.

2. Basıs Of Preparation Of Financial Statements (Continued)

Basis of consolidation

Consolidated financial statements include the financial statements of the companies controlled by the Group in Note 1. The necessary adjustments have been made to eliminate between group companies sales and purchases, between group receivables and payables and intra-group capital and subsidiaries.

Subsidiaries are companies over which the Company has the power to control the financial and operating policies for the benefit of the Company, either (a) through the power to exercise more than 50% of the voting rights relating to shares in the companies as a result of ownership interest owned directly and indirectly by itself, or (b) although not having the power to exercise more than 50% of the ownership interest, and/or as a result of agreements by certain the Company members and companies owned by them whereby the Company exercises control over the ownership interest of the shares held by them; otherwise the power to exercise control over the financial and operating policies.

Where considered necessary, corrections are made to adapt the financial statements of the subsidiaries to the accounting principles used by the Group.

The table below sets out the subsidiaries and shows the proportion of ownership interests:

	31 March 2016		31 December 2015	
	Direct and indirect ownership interest by the Group	**Proportion of effective interest**	**Direct and indirect ownership interest by the Group**	**Proportion of effective interest**
Subsidiaries				
Doğtaş Pazarlama	**%100**	**%100**	%100	%100
2K	**%100**	**%100**	%100	%100
3K	**%100**	**%100**	%100	%100

The Group fully consolidated the individual income and expenses and assets and liabilities. Investment in subsidiaries are eliminated with the capital of the subsidiaries invested.

Subsidiaries are consolidated from the date on which the control is transferred to the Group and are deconsolidated from the date that the control ceases. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

2. Basıs Of Preparation Of Financial Statements (Continued)

2.2 Amendments to accounting policies

Accounting policies shall be amended where the operations on the financial status, performance, or cash flows of the Group may be presented more appropriately and more reliably in the financial statements. Where optional amendments in accounting policies affect previous periods, such policies shall be implemented in the financial statements retroactively as if the said policies had always been in use. Accounting policy amendments that may arise from the use of another standard shall be implemented retroactively or prospectively in accordance with the transitional provisions of the standard, if any. Amendments that do not contain any transitional provision shall be implemented retroactively.

The new standards, amendments and interpretations

The accounting policies adopted in preparation of the interim condensed consolidated financial statements as at March 31, 2016 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of January 1, 2016. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations which are effective as at January 1, 2016 are as follows:

TFRS 11 Acquisition of an Interest in a Joint Operation (Amendment)

TFRS 11 is amended to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. This amendment requires the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in TFRS 3 Business Combinations, to apply all of the principles on business combinations accounting in TFRS 3 and other TFRSs except for those principles that conflict with the guidance in this TFRS. In addition, the acquirer shall disclose the information required by TFRS 3 and other TFRSs for business combinations. The amendments did not have an impact on the financial position or performance of the Group.

TAS 16 and TAS 38 - Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to TAS 16 and TAS 38)

The amendments to TAS 16 and TAS 38, have prohibited the use of revenue-based depreciation for property, plant and equipment and significantly limiting the use of revenue-based amortisation for intangible assets. The amendments did not have an impact on the financial position or performance of the Group.

TAS 16 Property, Plant and Equipment and TAS 41 Agriculture (Amendment) – Bearer Plants

TAS 16 is amended to provide guidance that bearer plants, such as grape vines, rubber trees and oil palms should be accounted for in the same way as property, plant and equipment in TAS 16. Once a bearer plant is mature, apart from bearing produce, its biological transformation is no longer significant in generating future economic benefits. The only significant future economic benefits it generates come from the agricultural produce that it creates. Because their operation is similar to that of manufacturing, either the cost model or revaluation model should be applied. The produce growing on bearer plants will remain within the scope of TAS 41, measured at fair value less costs to sell. The amendment is not applicable for the Group and did not have an impact on the financial position or performance of the Group.

2. Basıs Of Preparation Of Financial Statements (Continued)

TAS 27 Equity Method in Separate Financial Statements (Amendments to TAS 27)

Public Oversight Accounting and Auditing Standards Authority (POA) of Turkey issued an amendment to TAS 27 to restore the option to use the equity method to account for investments in subsidiaries and associates in an entity's separate financial statements. Therefore, an entity must account for these investments either:
• At cost
• In accordance with IFRS 9,
Or
• Using the equity method defined in TAS 28
The entity must apply the same accounting for each category of investments. The amendment is not applicable for the Group and did not have an impact on the financial position or performance of the Group.

TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)

Amendments issued to TFRS 10 and TAS 28, to address the acknowledged inconsistency between the requirements in TFRS 10 and TAS 28 in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture, to clarify that an investor recognises a full gain or loss on the sale or contribution of assets that constitute a business, as defined in TFRS 3, between an investor and its associate or joint venture. The gain or loss resulting from the re-measurement at fair value of an investment retained in a former subsidiary should be recognised only to the extent of unrelated investors' interests in that former subsidiary. The amendment is not applicable for the Group and did not have an impact on the financial position or performance of the Group.

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

Amendments issued to TFRS 10, TFRS 12 and TAS 28, to address the issues that have arisen in applying the investment entities exception under TFRS 10 Consolidated Financial Statements. The amendment is not applicable for the Group and did not have an impact on the financial position or performance of the Group.

TAS 1: Disclosure Initiative (Amendments to TAS 1)

The amendments issued to TAS 1. Those amendments include narrow-focus improvements in the following five areas: Materiality, Disaggregation and subtotals, Notes structure, Disclosure of accounting policies, Presentation of items of other comprehensive income (OCI) arising from equity accounted investments. These amendments did not have significant impact on the notes to the interim condensed consolidated financial statements of the Group.

Annual Improvements to TFRSs - 2012-2014 Cycle

POA issued, Annual Improvements to TFRSs 2012-2014 Cycle. The document sets out five amendments to four standards, excluding those standards that are consequentially amended, and the related Basis for Conclusions. The standards affected and the subjects of the amendments are:

- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations – clarifies that changes in methods of disposal (through sale or distribution to owners) would not be considered a new plan of disposal, rather it is a continuation of the original plan
- IFRS 7 Financial Instruments: Disclosures – clarifies that i) the assessment of servicing contracts that includes a fee for the continuing involvement of financial assets in accordance with IFRS 7; ii) the offsetting disclosure requirements do not apply to condensed interim financial statements, unless such disclosures provide a significant update to the information reported in the most recent annual report

2. Basıs Of Preparation Of Financial Statements (Continued)

- IAS 19 Employee Benefits – clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located

- IAS 34 Interim Financial Reporting –clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the interim financial report

The amendment did not have significant impact on the financial position or performance of the Group.

ii) 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 interim condensed 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, when the new standards and interpretations become effective.

TFRS 9 Financial Instruments – Classification and measurement

As amended in is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. Phase 1 of this new TFRS introduces new requirements for classifying and measuring financial instruments. The amendments made to TFRS 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. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is adopted by POA.

iii) The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (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 by the POA, thus they do not constitute part of TFRS. 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.

Annual Improvements – 2010–2012 Cycle

IFRS 13 Fair Value Measurement

As clarified in the Basis for Conclusions short-term receivables and payables with no stated interest rates can be held at invoice amounts when the effect of discounting is immaterial. The amendment is effective immediately.

IFRS 15 Revenue from Contracts with Customers

The IASB issued IFRS 15 Revenue from Contracts with Customers. The new five-step model in the standard provides the recognition and measurement requirements of revenue. The standard applies to revenue from contracts with customers and provides a model for the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., the sale of property, plant and equipment or intangibles). IFRS 15 effective date is January 1, 2018, with early adoption permitted. Entities will transition to the new standard following either a full retrospective approach or a modified retrospective approach.

2. Basıs Of Preparation Of Financial Statements (Continued)

The modified retrospective approach would allow the standard to be applied beginning with the current period, with no restatement of the comparative periods, but additional disclosures are required. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

Clarifications to IFRS 15 'Revenue from Contracts with Customers' (Amendment)

IASB has published final clarifications to IFRS 15 in April 2016. The amendments address three of the five topics identified (identifying performance obligations, principal versus agent considerations, and licensing) and provide some transition relief for modified contracts and completed contracts. The amendments are effective for annual reporting periods beginning on or after January 1, 2018. Earlier application is permitted. The Group is in the process of assessing the impact of the amendment on financial position or performance of the Group.

IFRS 9 Financial Instruments - Final standard (2014)

The IASB published the final version of IFRS 9 Financial Instruments. The final version of IFRS 9 brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 is built on a logical, single classification and measurement approach for financial assets that reflects the business model in which they are managed and their cash flow characteristics. Built upon this is a forward-looking expected credit loss model that will result in more timely recognition of loan losses and is a single model that is applicable to all financial instruments subject to impairment accounting. In addition, IFRS 9 addresses the so-called 'own credit' issue, whereby banks and others book gains through profit or loss as a result of the value of their own debt falling due to a decrease in credit worthiness when they have elected to measure that debt at fair value. The Standard also includes an improved hedge accounting model to better link the economics of risk management with its accounting treatment. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. However, the Standard is available for early application. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

IFRS 16 Leases

The IASB has published a new standard, IFRS 16 'Leases'. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17 'Leases' and related interpretations and is effective for periods beginning on or after January 1, 2019, with earlier adoption permitted if IFRS 15 'Revenue from Contracts with Customers' has also been applied. The Group is in the process of assessing the impact of the standard on financial position or performance of the Group.

IAS 12 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses (Amendments)

The IASB issued amendments to IAS 12 Income Taxes. The amendments clarify how to account for deferred tax assets related to debt instruments measured at fair value. The amendments clarify the requirements on recognition of deferred tax assets for unrealised losses, to address diversity in practice. These amendments are to be retrospectively applied for annual periods beginning on or after January 1, 2017 with earlier application permitted. However, on initial application of the amendment, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. If the Company/Group applies this relief, it shall disclose that fact. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

2. Basıs Of Preparation Of Financial Statements (Continued)

IAS 7 'Statement of Cash Flows (Amendments)

The IASB issued amendments to IAS 7 'Statement of Cash Flows'. The amendments are intended to clarify IAS 7 to improve information provided to users of financial statements about an entity's financing activities. The improvements to disclosures require companies to provide information about changes in their financing liabilities. These amendments are to be applied for annual periods beginning on or after January 1, 2017 with earlier application permitted. When the Company/Group first applies those amendments, it is not required to provide comparative information for preceding periods. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

2.3 Amendments and errors in accounting policies and estimates

The Group shall consistently include, valuate and present similar transactions, events and circumstances in the financial statements. Major accounting errors found shall be corrected retroactively, and the financial statements of previous years shall be restated accordingly. Amendments to accounting estimates shall be implemented in the current period of the amendment if they are relevant to a single period, and both in the current period of the amendment and prospectively if they are relevant to future periods.

2.4 Critical accounting estimates and judgements

The Group management should make assumptions and estimates that determine the potential liabilities and commitments as of the date of the balance sheet, and the amounts of income and expenses as of the reporting date, which may affect the amounts of assets and liabilities, during the preparation of the consolidated financial statements. The actual outcomes may be different from the estimates. The estimates are regularly revised with the necessary corrections made, and reflected in the income statement for the period in which they accrue.

2. Basıs Of Preparation Of Financial Statements (Continued)

The Group management should make assumptions and estimates that determine the potential liabilities and commitments as of the date of the balance sheet, and the amounts of income and expenses as of the reporting date, which may affect the amounts of assets and liabilities, during the preparation of the consolidated financial statements. The actual outcomes may be different from the estimates. The estimates are regularly revised with the necessary corrections made, and reflected in the income statement for the period in which they accrue.

The Group management should make assumptions and estimates that determine the potential liabilities and commitments as of the date of the balance sheet, and the amounts of income and expenses as of the reporting date, which may affect the amounts of assets and liabilities, during the preparation of the consolidated financial statements. The actual outcomes may be different from the estimates.

The estimates are regularly revised with the necessary corrections made, and reflected in the income statement for the period in which they accrue.

a) The severance pay liability shall be based on actuarial assumptions (discount rates, future pay rises, and end of employment rates). (Note 16)

b) The Group has subjected its fixed assets to depreciation on a useful life basis according to the linear depreciation method. The expected useful life residual value and depreciation method shall be revised on an annual basis for the potential effects of the changes in estimates, which shall be accounted for prospectively.

c) The Group management has reserved a provision for legal actions in the consolidated financial statement of the term that ended on March 31, 2016, based on the best estimates in line with the legal counsel and expert opinions on lawsuits filed against the Group.

d) The Group management reserves, in the annexed financial statement, a provision for warranty expenses for production and other faults from the moment of sale for sales made under warranty. The Group determines the provision for warranty based on the warranty expenses of previous years and remaining warranty periods.

e) Provisions for doubtful receivables reflect the damages of receivables believed to be covered by the Group management among those which, despite having accrued, bear the risk of not being collected due to the prevalent economic conditions. In deciding whether the receivables have depreciated, the past performances of debtors, their credibility in the market, their performance from the balance sheet date to the date of approval of the financial statement, as well as matters that are re-negotiated are taken into consideration.

f) For the depreciation of stocks, the physical properties and the original date of the stocks are checked, then the usefulness of the stocks is determined according to the opinions of the technical staff, and provisions are reserved for the items that are decided to be unusable. The data on average sales prices is also used to determine the net realizable values of the stocks

g) Deferred tax assets are recorded where it is found that it is possible to have taxable income in future years. Where it is likely to have taxable income, the deferred tax assets are calculated on the basis of deductible provisional differences. Where it is unlikely to have taxable income, the deferred tax assets are not calculated separately on the basis of the financial losses.

h) Doğ-taş Doğanlar Mobilya İmalat Enerji Üretim Sanayi ve Ticaret A.Ş. acquired 67 percent of the shares of Kelebek Mobilya Sanayi ve Ticaret A.Ş. on September 6, 2012. Certain estimates and assumptions were made in the determination of the fair values of tangible and intangible assets during the distribution of the costs of this acquisition.

i) The fair value of the machines, facilities, and equipment of the Group as of December 31, 2013, was determined by the valuation conducted in February 2014, by an expert appointed by the court. The fair value of the land, land improvements, and buildings as of December 31, 2015 was determined by an independent appraisal company that is not related to the Group.

3. Business combinations

Not Available (31 December 2015 - Not Available).

4. Cash And Cash Equivalents

The details of the cash and cash equivalents as of 31 March 2016 and 31 December 2015 are as follows

	31 March 2016	31 December 2015
Cash	**130,980**	39,381
Banks	**1,687,360**	7,103,097
-Demand deposit	***1,687,360***	*1,303,097*
-Time deposit	**-**	*5,800,000*
Credit card receivables	**154,932**	35,242
Total	**1,973,272**	7,177,720

As at 31 December 2015, the Group has time deposit amounting to TL 5,800,000 with a weighted effective interest rate 8% and four days to maturity.

5. Trade Receıvables And Payables

Short-term trade receivables at the end of the period are disclosed.

	31 March 2016	31 December 2015
Customers	**73,968,974**	77,152,213
- *Due from related parties* (Note 20)	**1,809,264**	2,225,082
- *Other*	**72,159,710**	74,927,131
Cheques and notes receivable	**11,161,050**	4,611,838
Unearned finance income (-)	**(989,088)**	(711,195)
Doubtful of receivables	**18,327,656**	18,412,558
Provision for doubtful of receivables (-)	**(18,327,656)**	(18,412,558)
Total	**84,140,936**	81,052,856

Movements of provision for doubtful trade receivables for the years ended 31 March 2016 and 2015 are as follows:

	2016	2015
Balance at the beginning of the period	**(18,412,558)**	(16,863,193)
Written-off	**84,902**	31,022
Provisions	**-**	(161,728)
Balance at the end of the period	**(18,327,656)**	(16,993,899)

Long-term trade receivables at the end of the period are disclosed.

	31 March 2016	31 December 2015
Cheques and notes receivable	**871,500**	955,565
Unearned finance income (-)	**(95,876)**	(126,570)
Total	**775,624**	828,995

5.Trade Receıvables And Payable (Continued)

Short term trade payables of the Group as of the period ends are explained below.

	31 March 2016	31 December 2015
Supplier current accounts	**88,323,969**	104,326,723
-Due to related parties (Note 20)	**87,056**	-
-Other	**88,236,913**	104,326,723
Cheques and notes payable	**19,740,468**	23,132,980
Unincurred finance cost (-)	**(1,376,044)**	(1,274,871)
Total	**106,688,393**	126,184,832

6. Other liabilities, liabilities, and other liabilities under the employee benefits

Other receivables of the Group as of the period ends are explained below.

Short-term other receivables	**31 March 2016**	31 December 2015
Receivables from tax authority	**1,015,405**	782,195
Deposits and guarantees given	**2,639,676**	1,230,721
Receivables from personnel	**183,118**	238,253
Other	**73,258**	1,512,128
Total	**3,911,457**	3,763,297

Long-term other receivables	**31 March 2016**	31 December 2015
Deposits and guarantees given	**388,901**	387,324
Total	**388,901**	387,324

Short-term and long-term other payables of the Group as of period ends are explained below.

Short-term other payables	**31 March 2016**	31 December 2015
Other payables	**5,040**	5,147
-Due to related parties (Note 20)	**252**	252
-Other	**4,788**	4,895
Taxes and funds payable	**335,785**	470,650
Total	**340,825**	475,797

Long-term other payables	**31 March 2016**	31 December 2015
Received deposits and guarantees	**588,998**	588,998
Total	**588,998**	588,998

6. Other liabilities, liabilities, and other liabilities under the employee benefits (continued)

The short term liabilities of the Group within the scope of benefits provided to employees at the end of the period are explained below.

	31 March 2016	31 December 2015
Payables to personnel	**3,345,177**	2,931,099
Social security premiums	**1,120,075**	1,059,623
Taxes and funds payable	**531,930**	776,062
Toplam	**4,997,182**	4,766,784

7. Inventorıes

The Group's inventories at the end of the period are disclosed below.

	31 March 2016	31 December 2015
Raw materials and supplies	**44,845,555**	39,731,250
Semi-finished goods	**28,490,037**	25,254,711
Finished goods	**25,385,988**	26,172,833
Trade goods	**15,205,740**	13,524,538
Goods in transit	**476,351**	580,902
Total	**114,403,671**	105,264,234

8. Prepaid expenses, deferred income, other assets and liabilities

The Group's prepaid short-term expenses as of the end of the period are given below.

	31 March 2016	31 December 2015
Advances given for inventories	**13,144,041**	13,691,955
Expenses for future months	**8,854,184**	10,166,098
Total	**21,998,225**	23,858,053

The costs incurred by the Group for its vendors overseas under the government-sponsored "Turquality" program comprise a considerable part of the prepaid expenses account.

Other revolving assets of the Group as of the end of the period are given below.

	31 March 2016	31 December 2015
Deferred VAT	**708,320**	784,465
Other VAT	**1,181,195**	1,076,621
Advences given to personnel	**504,969**	442,106
Other	**1,158,405**	5,001
Total	**3,552,889**	2,308,193

8. Prepaid expenses, deferred income, other assets and liabilities (continued)

The Group's prepaid long-term expenses as of the end of the period are given below.

	31 March 2016	31 December 2015
Expenses for future years	**16,213**	16,213
Total	**16,213**	16,213

The Group's short-term deferred income as of period ends is disclosed below.

	31 March 2016	31 December 2015
Advances received	**24,344,440**	14,433,245
Deferred income	**7,746,507**	8,985,700
Total	**32,090,947**	23,418,945

Other short-term liabilities of the Group as of the end of the period are given below.

	31 March 2016	31 December 2015
Deferred and canceled VAT	**1,181,195**	1,076,621
Other liabilities	**180,716**	85,649
Total	**1,361,911**	1,162,270

The Group's long-term deferred income as of period ends is disclosed below.

	31 March 2016	31 December 2015
Future revenues	**116,720**	116,720
Total	**116,720**	116,720

9. Available-For-Sale Financial Assets

The Group's financial investments consist of investments classified as available-for-sale financial assets. The details of the financial investments as of 31 March 2016 and 31 December 2015 are as follows:

	Ownership interest	**31 March 2016 Carrying amount**	**Ownership** oranı	31 December 2015 Carrying amount
Doğtaş Germany	**%100**	**3,393,430**	%100	3,393,430
Doğtaş Bulgaria	**%100**	**1,418,860**	%100	1,418,860
Doğtaş Holland	**%100**	**4,657,668**	%100	4,657,668
Total		**9,469,958**		9,469,958

Available-for-sale investments 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.

10. Available–For-Sale Properties

	31 March 2016	31 March 2015
Balances at 1 January	**566,200**	866,200
Disposal (-)	**(140,000)**	(300,000)
Balances at 31 March	**426,200**	566,200

As of 31 March 2016, available for sale real estates consist of buildings acquired from customers in the past periods that were intentionally turned into doubtful receivables.

The aim of the Group's management is to remove the real estates in a short period of time.

11. Investment Properties

The investment property shown at cost in the interim consolidated financial statement dated March 31, 2016, and March 31, 2015, are as follows.

	1 January 2016	**Additions**	**31 March 2016**
Cost			
Buildings	**60,600**	**-**	**60,600**
Total	**60,600**	**-**	**60,600**
Accumulated amortisation	**-**	**-**	**-**
Buildings	**(4,124)**	**(303)**	**(4,427)**
Total	**(4,124)**	**(303)**	**(4,427)**
Net book value	**56,476**		**56,173**

	1 January 2015	Additions	31 March 2015
Cost			
Buildings	60,600	-	60,600
Total	60,600	-	60,600
Accumulated amortisation			
Buildings	(2,912)	(303)	(3,215)
Total	(2,912)	(303)	(3,215)
Net book value	57,688		57,385

12. Property, Plant And Equipment

	1 January 2016	Additions	Disposals	Transfers	31 March 2016
Cost:					
Land	31,773,097	-	-	-	31,773,097
Land improvements and buildings	61,241,460	-	-	-	61,241,460
Machinery, plant and equipment	74,767,138	16,928	(14,848)	-	74,769,218
Vehicles	1,949,995	-	(463,200)	-	1,486,795
Furniture and fixtures	39,723,063	863,429	-	-	40,586,492
Leasehold improvements	23,200,172	1,245,000	-	-	24,445,172
Construction in progress	5,518,949	1,757,965	-	-	7,276,914
Total	238,173,874	3,883,322	(478,048)	-	241,579,148
Accumulated deprecation:					
Land improvements and buildings	(15,858,191)	(390,889)	-	-	(16,249,080)
Machinery, plant and equipment	(42,601,507)	(463,610)	14,848	-	(43,050,269)
Vehicles	(1,980,538)	(36,301)	419,291	-	(1,597,548)
Furniture and fixtures	(23,120,052)	(1,154,027)	-	-	(24,274,079)
Leasehold improvements	(7,276,805)	(1,109,260)	-	-	(8,386,065)
Total	(90,837,093)	(3,154,087)	434,139	-	(93,557,041)
Net book value	147,336,781				148,022,107

12, Property, Plant And Equipment (Continued)

	1 January 2015	Additions	Disposals	Transfers	31 March 2015
Cost:					
Land	22,874,662	-	-	-	22,874,662
Land improvements and buildings	55,931,759	-	-	-	55,931,759
Machinery, plant and equipment	75,401,457	2,066	-	-	75,403,523
Vehicles	1,972,996	-	(23,001)	-	1,949,995
Furniture and fixtures	34,035,136	703,817	(7,501)	-	34,731,452
Leasehold improvements	17,196,496	593,029	-	-	17,789,525
Construction in progress	1,788,765	943,384	-	-	2,732,149
Total	209,201,271	2,242,296	(30,502)	-	211,413,065
Accumulated deprecation					
Land improvements and buildings	(14,344,095)	(376,192)	-	-	(14,720,287)
Machinery, plant and equipment	(41,787,272)	(552,837)	-	-	(42,340,109)
Vehicles	(1,696,204)	(84,761)	18,023	-	(1,762,942)
Furniture and fixtures	(18,740,206)	(1,019,655)	4,016	-	(19,755,845)
Leasehold improvements	(3,944,520)	(799,784)	-	-	(4,744,304)
Total	(80,512,297)	(2,833,229)	22,039	-	(83,323,487)
Net book value	128,688,974				128,089,578

Liens and restrictions on property, plant and equipment are given in Note 15.

13. Intangıble Assets

	1 January 2016	**Additions**	**Disposals**	**Transfers**	**31 March 2016**
Cost	**-**	**-**	**-**	**-**	**-**
Brand	**17,530,000**	**-**	**-**	**-**	**17,530,000**
Rights	**9,908,652**	**180,177**	**-**	**-**	**10,088,829**
Total	**27,438,652**	**180,177**	**-**	**-**	**27,618,829**
Accumulated amortisation	**-**	**-**	**-**	**-**	**-**
Rights	**(6,495,436)**	**(300,701)**	**-**	**-**	**(6,796,137)**
Total	**(6,495,436)**	**(300,701)**	**-**	**-**	**(6,796,137)**
Net book value	**20,943,216**				**20,822,692**

	1 January 2015	Additions	Disposals	Transfers	31 March 2015
Cost					
Brand	17,530,000	-	-	-	17,530,000
Rights	8,441,899	431,072	-	-	8,872,971
Total	25,971,899	431,072	-	-	26,402,971
Accumulated amortisation					
Rights	(5,485,203)	(278,845)	-	-	(5,764,048)
Total	(5,485,203)	(278,845)	-	-	(5,764,048)
Net book value	20,486,696				20,638,923

14. Borrowings

Short-term financial liabilities of the Group as of the end of the period are given below.

	31 March 2016	31 December 2015
Short-term bank borrowings	**80,539,401**	59,645,357
Short-term borrowings	**80,539,401**	59,645,357
Short-term portion of long-term bank borrowings	**35,393,659**	34,147,189
Short-term portion of long term borrowings	**35,393,659**	34,147,189

The Group's long-term expenses as of the end of the period are given below.

	31 March 2016	31 December 2015
Long-term bank borrowings	**109,873,843**	109,547,560
Long-term borrowings	**109,873,843**	109,547,560

14. Borrowings (Continued)

a) The redemption schedule of borrowings is as follows :

Borrowings	31 March 2016	31 December 2015
Up to 3 months	**43,766,241**	65,777,610
3-12 months	**72,166,819**	28,014,936
1-5 years	**109,873,843**	109,547,560
Total	**225,806,903**	203,340,106

b) The effective rate of interest for financial liabilities by currency are as follows;

31 March 2016	**Original currency**	**TL**	**Effective interest Original rate per annum (%)**
TL borrowings	**24,504,984**	**24,504,984**	**%13.75 - %15.80**
EUR borrowings	**62,748,019**	**201,301,919**	**%0.75 - %5.52**
Total bank borrowings		**225,806,903**	

31 December 2015	Original currency	TL	Effective interest Original rate per annum (%)
TL borrowings (*)	957,266	957,266	-
EUR borrowings	63,690,471	202,382,840	%0.75 - %5.52
Total bank borrowings		203,340,106	

(*) Interest-free loans used to make tax payments.

15. Provisions, Contingent Assets And Liabilities

Short-term provisions	31 March 2016	31 December 2015
Provision for warranty expenses	**1,074,833**	1,104,586
Provision for litigations	**497,198**	483,198
Provision for project expenses	**1,749,515**	392,395
Total	**3,321,546**	1,980,179

Long-term provisions:	31 March 2016	31 December 2015
Provision for warranty expenses	**421,288**	372,110
Total	**421,288**	372,110

Contingent assets and liabilities;

***Contingent assets and liabilities*;**
As at 31 March 2016 total mortgages on property, plant and equipment of the Group amounting to EUR 70,000,000 and TL 22,500,000 (31 December 2015 – 70,000,000 Eur ve 22,500,000 TL)

15. Provisions, Contingent Assets And Liabilities (Continued)

The details of the guarantees received and given as of March 31, 2016, and 31 December, 2015, are as follows:

	31 March 2016	31 December 2015
Guarantees given		
Letters of guarantees given to government institutions	**131,526,989**	131,141,259
Letters of guarantees given to suppliers	**598,243**	735,275
Letters of guarantees given for litigation	**553,379**	493,379
Letters of guarantees given to customers	**4,031,354**	4,152,854
Letters of guarantees given	**247,067,000**	244,932,000
Total guarantees given	**383,776,964**	381,454,767
Guarantees received		
Letter of guarantees received from franchisees	**63,814,234**	62,079,934
Mortgages received from foreign franchisees	**7,638,481**	7,980,776
Mortgages received from domestic franchisees	**16,985,000**	16,220,000
Letters of commitment received	**18,875,000**	18,875,000
Total guarantees received	**107,312,716**	105,155,711

As of 31 March 2016 and 31 December 2015, breakdown of the guarantees, mortgage and pledges given by the Group is as follows :

	31 March 2016	31 December 2015
A.Total amount of guarantees, pledges and mortgages given on behalf of its own legal name	**383,776,964**	381,454,767
B. CPM’s given on behalf of fully Consolidated companies	-	-
C. CPM’s given for continuation of its economic activities on behalf of third parties	-	-
D. Total amount of other CPM’s	-	-
i. Total amount CPM’s given on behalf of the majority shareholders	-	-
ii. Total amount of CPM’s given to on behalf of other group companies which are not in scope of B and C	-	-
iii. Total amount of CPM’s given on behalf of third parties which are notin scope of C	-	-
Total	**383,776,964**	381,454,767

All aforementioned guarantees given by the Group as of March 31, 2016, and March 31, 2015, were given on behalf of the Group's legal entity.

The total number of Doğtaş Kelebek Mobilya Sanayi ve Ticaret A.Ş. ordinary shares 19,256,976,700 shares with a par value of 1 TL per share hold in pledge because of Group’s borrowing on 31 March 2016 and 31 December 2015.

15. Provisions, Contingent Assets And Liabilities (Continued))

The insurance amount on property plant and equipments and inventories is TL 68,953,700 and TL 39,290,000 respectively. (31 December 2015: property, plant and equipment: TL 68,791,700 TL, inventories: TL 38,893,000).

The Group netted off its checks endorsed amounting to 61,902,530 Turkish lira from its liabilities as of March 31, 2016 (December 31, 2015 - 47,677,997 Turkish lira).

Operating leases

The future payments for operational leases that can not be canceled are as follows:

Operating lease commitments	**31 March 2016**	31 December 2015
Up to 1 year	**350,000**	650,000
1 - 5 years	**-**	-
	350,000	650,000

As of March 31, 2016, an expense of 300,000 Turkish lira (March 31, 2015 - 695,277 Turkish lira) related to the Company's non-cancellable operating lease activities was reflected in the consolidated income statement.

16. Employee Benefits

	31 March 2016	31 December 2015
Provision for employment termination benefits	**2,835,492**	2,950,900
Provision for unused vacation	**2,748,746**	2,927,508
Total	**5,584,238**	5,878,408

According to the Turkish Labor Law, the Group is under the obligation to pay a severance payment to employees who have completed one year of service and have been terminated or have retired, have completed 25 years of service (20 for women), and earned the right to retire (58 for women, 60 for men), have been called to military service, or have died. There are certain transitional articles related to the pre-retirement service period after the legislation amendment dated September 8, 1999. The severance payment to be made equals the amount of a monthly wage, which is limited to 4,093 Turkish lira as of March 31, 2016 (December 31, 2015 - 3,828 Turkish lira) for each year of service.

The liability of severance payment is not legally subject to a funding.

The liability of severance payment shall be calculated by estimating the current value of the company's potential future liabilities that may arise from the retirement of employees. It is stipulated in TAS 19 ("Employee Benefits") that the liabilities of a company be developed using actuarial valuation methods under the defined benefit plans. Accordingly, the actuarial assumptions used to calculate the total liabilities are given below:

The principal assumption is that the maximum liability for each year increases in line with inflation. Therefore, the rate of discount applicable means the real interest rate that is expected after the effects of future inflation are corrected. The provisions in the annexed financial statement as of the end of the period are calculated by estimating the current value of the potential future liability that may arise from the retirement of employees. The provisions as of March 31, 2016, were calculated with a real discount rate of 3.74 percent by assuming 7 percent inflation and 11 percent discount on an annual basis (the provisions as of March 31, 2015 were calculated at a real discount rate of 3.74 percent by assuming 7 percent inflation and 11 percent discount on an annual basis).

16. Employee Benefits (Continued)

The movement of employee benefits is as follows:

	31 March 2016	31 March 2015
Balances at 1 January	**2,950,900**	3,767,128
Cost of interest	**81,150**	75,343
Cost of service	**58,725**	147,755
Actuarial gain	**514,908**	320,003
Payments (-)	**(770,191)**	(297,682)
Balances at 31 March	**2,835,492**	4,012,547

17. Goverment Grants

The Group were started its investment in order to expand production capacity of its plant located in Çanakkale and their incentive certificate is utilized with regard to corporate tax discount of 60% which is calculated with 20% in Turkey, together with custom and value added tax exemption.

With respect to certificate, the Group entitled to tax deduction of corporate tax amounting to TL 1,954,500 which were equal to 30% of total investment amounting to TL 6,515,000. This deduction would be utilized from income of related investment and this amount should be kept in spate book in accordance with Corporate Tax Law. If it is not eligible to keep it separately, income related to investment could be calculated by compared ratio between total investment amounts to total fixed assets..

The approvals related to abovementioned incentives were completed as at 2013 and the Group utilized from a corporate tax discount amounting to TL 283,635. The Group recognized deferred tax assets amounting to TL 1,670,865 (2015: TL 1,670,865) within the scope of this incentive. Furthermore, deferred tax assets amounting to TL 1,005,663 (2015: TL 1,005,663) were recognized within the two investments started in 2013 and not completed yet.

The Group also receives incentives for 50 percent of the costs incurred for its vendors overseas under the Turquality Support Program. This income shall be recognized at fair value using the accrual basis once it is approved by the authorities upon the incentive requests of the Group. The incentive income of 782,711 Turkish lira made in 2016 was recognized in the other income account (2015 - 2,375,232 Turkish lira).

18. Equity

The shareholders and the shareholding structure of the Company as at 31 March 2016 and 31 December 2015 are as follows:

	31 March 2016		31 December 2015	
	TL	**Share (%)**	TL	Share (%)
International Furniture B.V.	**96,284,884**	**%46.05**	96,284,884	%46.05
Davut Doğan	**16,047,503**	**%7.68**	16,047,503	%7.68
Adnan Doğan	**16,047,484**	**%7.68**	16,047,484	%7.68
Şadan Doğan	**16,047,474**	**%7.68**	16,047,474	%7.68
İsmail Doğan	**16,047,474**	**%7.68**	16,047,474	%7.68
İlhan Doğan	**16,047,474**	**%7.68**	16,047,474	%7.68
Murat Doğan	**16,047,474**	**%7.68**	16,047,474	%7.68
Other	**16,500,000**	**%7.89**	16,500,000	%7.89
Total	**209,069,767**	**%100**	209,069,767	%100
Reverse merger capital differences	**(159,069,767)**		(159,069,767)	
Paid-in share capital	**50,000,000**		50,000,000	

As registered in the Turkish Trade Registry Gazette dated 26 June 2007 and numbered 6838, the registered capital, which is TL 80,000,000, has been increased to 209,069,768 TL in 2013. There are 20,906,976,700 units of shares with a face value of TL 0.01. As at 31 March 2016 and 31 December 2015 paid-in share capital of the Company amounting to TL 50,000,000 with each share has a facevalue of TL 0.01. The difference of 159,069,768 Turkish lira between the registered capital and paid-up capital was paid by the business combination that took place when the 2013 assets and liabilities of Doğ-Taş Doğanlar Mobilya İmalat Enerji Üretim Sanayi Anonim Şirketi, as determined on December 31, 2013, were taken over as a whole.

As of 31 March 2016 and 31 December 2015, there are no preferred shares representing the capital.Doğtaş Kelebek Mobilya Sanayi ve Ticaret A.Ş. the amounts of reserves held in legal financial statements prepared in accordance with the Tax Procedure Law are as follows:

	31 March 2016	31 December 2015
Reserves on retained earnings	**607,177**	607,177
Extraordinary reserves	**955,943**	955,943
Share premium	**282,945**	282,945
Accumulated losses for previous years	**(62,886,710)**	(29,821,162)
Period profit/(loss), after taxes	**(9,209,421)**	(33,852,609)

19. Tax Assets And Liabilities

The Group's tax expense (or income) is made up of the current period corporate tax expense and deferred tax expense (or income).

	1 January – 31 March 2016	1 January – 31 March 2015
Provision for legal taxes in the current period (-)	**-**	-
Deferred tax (expense)/income	**895,787**	3,624,510
Associated with the statement of income	***895,787***	*3,624,510*
Total tax income/(revenue)	**895,787**	3,624,510

j) Current income tax assets:

Turkish tax legislation does not allow for the submission of tax returns over consolidated financial statements, which include its subsidiaries. Therefore, tax considerations reflected in consolidated financial statements have been calculated on a separate-entity basis.

Corporation tax is payable at a rate of 20% on the total income of each local company after adjusting for certain disallowable expenses, exempt income and allowances.

The provisions necessary for the Group's estimated tax liabilities for the current period were reserved in the annexed consolidated financial statement.

	31 March 2016	31 March 2015
Corporate tax calculated	**-**	-
Prepaid taxes (-)	**(442,037)**	(398,612)
Current income tax assets (-)	**(442,037)**	(398,612)

The advance taxes are calculated and accrued in three-month periods in Turkey. Accordingly, while the profit for 2016 was taxed in the advance tax period, 20-percent advance tax was calculated on the basis of the company's profit.

As per Turkish Tax Law, losses may be carried over for no longer than five years provided that they are deducted from the taxable profit to be made in the coming years. However, losses incurred are not deducted retroactively from the profits of previous years.

According to Article 20 of the Corporate Tax Law, Corporate Tax is levied upon the declaration of the taxpayer. There is not a definite reconciliation procedure in place for tax assessment in Turkey. Companies prepare their tax returns by April 25 of the year following the account closure period of the relevant year. Tax Administrations may review and amend such tax returns and accounting records that form the basis thereof within five years

In addition to the corporate tax, in the case of distribution of dividends, income tax withholding should be calculated separately on dividends, except for those distributed to fully accountable organizations that receive dividends and declare such dividends by including them in the profit of the organization, and to the branches of foreign companies in Turkey. The income tax withholding was raised from 10 percent to 15 percent by Cabinet Decree No. 2006/10731 published in the Official Gazette dated July 23, 2006.

19. Tax Assets And Liabilities (Continued)

ii) Deferred tax:

The Group recognises deferred income tax assets and liabilities based upon temporary differences arising between their financial statements prepared in accordance with IFRS and their statutory tax financial statements. Deferred income taxes are calculated on temporary differences that are expected to be realised or settled based on the taxable income under the liability method using an enacted tax rate. The breakdown of the accumulated temporary differences and deferred tax assets and liabilities as of March 31, 2016, and December 31, 2015, prepared by the tax rates in effect are as follows:

	31 March 2016		31 December 2015	
	Asset	**Liability**	**Asset**	**Liability**
Property, plant and equipment	**-**	**(15,726,180)**	-	(15,859,695)
Investment incentives	**2,676,528**	**-**	2,676,528	-
Provision for doubtful receivables	**1,782,597**	**-**	1,835,404	-
Provision for unused vacation	**549,749**	**-**	585,502	-
Inventories	**1,477,512**	-	666,734	-
Rediscount receivables	**216,993**	-	167,553	-
Provision for employee benefits	**567,098**	**-**	590,180	-
Provision for warranty	**299,224**	**-**	295,339	-
Provision for litigation	**99,439**	**-**	96,639	-
Deferred taxes based on the losses	**12,450,326**	**-**	10,922,136	-
Expenses for future months/years	**-**	**(191,666)**	-	(221,645)
Other	**-**	**(2,548,178)**	-	(1,100,001)
	20,119,466	**(18,466,024)**	17,836,015	(17,181,341)
Deferred income tax liabilities,net: (*)		**1,653,442**		654,674
Deferred tax assets, net		**1,653,442**		1,266,862
Deferred income tax (liabilities)/assets, net		**-**		(612,188)

(*)The amount indicated as the net 654,674 Turkish lira of deferred tax assets as of December 31, 2015, in the table above and 1,266,862 Turkish lira of deferred tax assets of Doğtaş Pazarlama that are indicated separately in the balance sheet constitute the Company's net tax liability of 612,188 Turkish lira.

The distribution of the due dates of financial losses that may be offset for the 2K and 3K, the deferred tax assets of which were not calculated, is as follows:

	31 March 2016	31 December 2015
Up to 1 y	**918,068**	918,068
1-2 years	**1,536,692**	1,536,692
2-3 years	**1,979,279**	1,979,279
3-4 years	**83,252**	83,252
4-5 years	**65,706**	44,719
	4,582,997	4,562,010

Movements in deferred income taxes are as follows:

	2016	2015
Deferred income tax (liabilities)/assets, net		
1 January	**654,673**	(4,763,743)
The deferred tax assets of the current period associated with the statement of income		
- continued operations	**895,787**	3,624,510
The deferred tax assets of the current period associated with other comprehensive income	**102,982**	64,001
31 March	**1,653,442**	(1,075,232)

20. Transactions And Balances With Related Parties

Trade receivables from the related parties generally arise from the sale of merchandise and products and are without guarantee.

a) The balance debts and receivables from the related parties:

	Receivables		Payables	
31 March 2016	**Trading**	**Non-Trading**	**Trading**	**Non-Trading**
Doğtaş Holland B.V. (1)	**396,693**	-	**-**	-
Doğtaş Bulgaria Eood (1)	**443,914**	-	**-**	-
Doğtaş Germany Gmbh (1)	**656,343**	-	**-**	-
Doğanlar Yatırım Holding A.Ş. (2)	**103,834**	-	**87,056**	-
International Furniture B.V. (3)	**98,167**	**-**	**-**	**-**
Real person shareholders (3)	**104,409**	-	**-**	-
Other	**5,904**	**-**	**-**	**252**
Total	**1,809,264**	**-**	**87,056**	**-**

	Receivables		Payables	
31 December 2015	**Trading**	**Non-Trading**	**Trading**	**Non-Trading**
Doğanlar Yatırım Holding A.Ş. (2)	1,036,921	-	-	-
Doğtaş Holland B.V. (1)	295,645	-	-	-
Doğtaş Bulgaria Eood (1)	434,307	-	-	-
Doğtaş Germany Gmbh (1)	249,633	-	-	-
Real person shareholders (3)	108,447	-	-	-
Other	100,129	-	-	252
Total	2,225,082	-	-	252

(1) Available-for-sale financial assets

(2) The companies that are directly or indirectly partnered with entities

(3) Partners and Doğan family members

b) Purchases from, and sales to, related parties

The purchases from related parties are as follows:

31 March 2016

Related Parties	**Purchases**		**Other**	**Total**
Doğan Kent Elektrik Enerjisi Toptan Satış A.Ş.(2)	**838,015**	**-**	**-**	**838,015**
Doğanlar Yatırım Holding A.Ş. (2)	**242,642**	**-**	**35,466**	**278,108**
Doğan Çiftlik Tarım Hayvancılık Gıda San.ve Tic. AŞ. (2)	**1,503**	**-**	**-**	**1,503**
Total	**1,802,160**	**-**	**35,466**	**1,117,626**

31 March 2015

Related Parties	Purchases		Other	Total
Doğan Kent Elektrik Enerjisi Toptan Satış A.Ş.(2)	731,129	-	-	731,129
Doğanlar Yatırım Holding A.Ş. (2)	63,000	-	5,000	68,000
Total	794,129	-	5,000	799,129

20. Transactions And Balances With Related Parties (Continued)

31 March 2016

The sales to related parties are as follows:

Related Parties	Sales		Other income	Total
Doğanlar Yatırım Holding A.Ş. (2)	**11,555**	**-**	**36,910**	**48,465**
Doğtaş Germany GMBH	**356,422**	**-**	**-**	**356,422**
Other (2),(3)	**14,449**	**-**	**-**	**14,449**
Total	**382,426**	**-**	**36,910**	**419,336**

31 March 2015

Related Parties	Sales		Other income	Total
Doğan Kent Elektrik Enerjisi Toptan Satış A.Ş.(2)	-	-	197	197
Doğanlar Yatırım Holding A.Ş. (2)	940,511	-	4,761	945,272
Doğtaş Germany GMBH	117,497	-	-	117,497
Other (2),(3)	7,034	-	-	7,034
Total	1,065,042	-	4,958	1,070,000

(1) Available-for-sale financial assets
(2) The companies that are directly or indirectly partnered with entities
(3) Partners and Doğan family members

c) Executive compensation and benefits:

Executive compensation and benefits total 1,145,407 Turkish lira as of March 31, 2016 (March 31, 2015 - 793,002).

21. Financial Risk Management

Risks of the Group

As a result of its operations, the group is exposed to currency risk, interest rate risk and other risks. Since the Group is holding the financial instruments, it has the risk of not meeting with the requirements of the agreements with counter parties.

Market risks in the Group level are measured with sensitivity analysis. There are no changes in market risks in the Group level or the methodology to examine risks or the methodology to measure risks in the current year in compared to the previous year.

Some of the Group’s raw materials are foreign based. Therefore, production costs of the Group are sensitive to exchange rates considerably. In the periods of increasing foreign currency, there is possibility of decreasing profit margins of the Group, due to competition in the market.

Exchange risk and management

Foreign currency transactions cause foreign currency risk.
The Group is exposed to foreign exchange risk because of changes occurring in exchange rates used in translation of foreign currency assests and liabilities into Turkish lira. Exchange rate risk emerges because of the difference between assets and liabilities recorded in trade transactions which shall occur in the following periods.

The Group is exposed to the currency risk primarily due to foreign exchange accounts, and receivables and debts in foreign currency.

21. Financial Risk Management (Continued)

			31 March 2016					31 March 2015
	TL Equivalent	USD	Euro	Other	TL Equivalent	USD	Euro	Other
1. Trade receivables	**25,349,903**	**1,297,118**	**6,756,227**	-	23,495,387	1,374,133	6,136,694	-
2a. Monetary financial assets	**880,953**	**124,248**	**164,866**	-	454,554	132,856	21,482	
2b. Non-monetary financial assets	-	-	-	-	-	-	-	-
3. Other	-	-	-	-	-	-	-	-
4- Current assets (1+2+3)	**26,230,856**	**1,421,366**	**6,921,093**		23,949,941	1,506,989	6,158,176	-
5. Trade receivables	-	-	-	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-	-	-	-
6b. Non-Monetary financial assets	-	-	-	-	-	-	-	-
7. Other	-	-	-	-	-	-	-	-
8- Non-current assets (5+6+7)	**-**	**-**	**-**	**-**	-	-	-	**-**
9- Total Assets (4+8)	**26,230,856**	**1,421,366**	**6,921,093**	**-**	23,949,941	1,506,989	6,158,176	**-**
10. Trade payables	**(6,480,099)**	**(879,230)**	**(1,243,381)**	-	(8,039,475)	(126,187)	(2,414,582)	-
11. Financial liabilities	**(91,428,076)**	**-**	**(28,499,135)**	-	(92,835,280)	-	(29,215,534)	-
12a Other monetary financial liabilities	**-**	**-**	**-**	-	-	-	-	-
12b. Other non-monetary financial liabilities	-	-	-	-	-	-	-	-
13, Current Liabilities (10+11+12)	**(97,908,175)**	**(879,230)**	**(29,742,516)**	**-**	(100,874,755)	(126,187)	(31,630,116)	**-**
14. Trade payables	-	-	-	-	-	-	-	-
15. Financial liabilities	**(109,873,843)**	**-**	**(34,248,883)**	-	(109,547,560)	-	(34,474,937)	-
16a. Other monetary financial liabilities	-	-	-	-	-	-	-	-
16b. Other non-monetary financial liabilities	-	-	-	-	-	-	-	-
17. Non-current liabilities (14+15+16)	**(109,873,843)**	**-**	**(34,248,883)**	**-**	(109,547,560)	-	(34,474,937)	**-**
18. Total liabilities (13+17)	**(207,782,018)**	**(879,230)**	**(63,991,399)**	**-**	(210,422,315)	(126,187)	(66,105,053)	
19. Net asset / liability position of off-balance sheet derivatives (19a-19b)	-	-	-	-	-	-	-	-
19a. Off-balance sheet foreign currency derivative assets	-	-	-	-	-	-	-	-
19b. Off-balance sheet foreign currency derivative liabilities	-	-	-	-	-	-	-	-
20. Net foreign currency asset liability position (9-18+19)	**(181,551,162)**	**542,136**	**(57,070,306)**	**-**	(186,472,374)	1,380,802	(59,946,877)	**-**
21. Net foreign currency asset / liability position of monetary items (1+2a+3+5+6a-10-11-12a-12b-14-15-16a)	**(181,551,162)**	**542,136**	**(57,070,306)**	**-**	(186,472,374)	1,380,802	(59,946,877)	**-**
22. Fair value of foreign currency hedged financial assets	-	-	-	-	-	-	-	-
23. Exports (1 January – 31 March)	**9,481,712**	**761,212**	**2,283,250**	-	10,582,089	921,491	2,888,414	-
24. Imports (1 January – 31 March)	**2,737,040**	**197,936**	**678,348**	-	2,903,813	295,480	753,312	-

21. Financial Risk Management (Continued)

The foreign exchange risk of the Group for the years ended 31 March 2016 and 31 March 2015 is summarized as follows:

	31 March 2016		31 March 2015	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
Change in USD against TL by 10%				
USD net effect	**153,608**	**(153,608)**	(13,792,921)	13,792,921
Change in Euro against TL by 10%				
Euro net effect	**(18,308,725)**	**18,308,725**	(5,367,921)	5,367,921

Fair Value of Financial Instruments

The estimated fair values of financial instruments have been determined by the Group using available market information and appropriate valuation methodologies. However, judgement is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realise in a current market transaction.

Financial assets – The fair value of cash and cash equivalents and their accuring interest and other financial assets are considered to approximate their respective carrying values due to their short-term nature and insignificant credit risk. Trade receivables after provisions for doubtful receivables are considered to approximate their respective carrying values.

Financial liabilities - The fair value of trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. Bank loans are valued at amortized cost and transaction costs are added to the inital cost of the loans. The fair value of long term Euro loans, whose interest rates are updated with changing market conditions, are considered to approximate their respective carrying values. Due to their short term nature, carrying amounts of short-term TL borrowings, which are at fixed rates approximate their fair values.

22. Events After The Balance Sheet Date

Not Available (31 December 2015 - Not Available).

23. Earnings Per Share

The weighted averages of the Company shares and earnings per unit share as of March 31, 2016, and March 31, 2015, are as follows (it is assumed that cash increases do not include bonus shares):

	31 March 2016	31 March 2015
The weighted average number of outstanding shares	**20,903,445,487**	20,903,445,487
Net profit/loss (-) for continued operations	**(4,650,881)**	(14,946,098)
Net profit/loss (-)	**(4,650,881)**	(14,946,098)
Earnings per share (kuruş) for continued operations	**(0.022)**	(0.072)
Earnings per share (kuruş)	**(0.022)**	(0.072)

24. ADDITIONAL DISCLOSURES THAT ARE NOT REQUIRED UNDER TAS

In addition to the compulsory financial statements and annotations required by the TAS, the Group keeps track of its performance through the Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") that does not include the income/expense items that are considered incidental and non-recurring and certain items of the income statement that do not require cash flow to be recorded as provisions. The amounts of EBITDA calculated as such are given below in addition to the TAS requirements, for analysis purposes:

		1 Ocak – 31 March 2016
Net loss for the period		**(4,650,881)**
Tax	19	**(895,787)**
Financial income		**(2,105,807)**
Financial expense		**10,616,088**
Amortisation	11, 12, 13	**3,455,090**
Provision for employee benefit	16	**139,875**
Provision for unused vacation	16	**(178,762)**
Tek seferlik giderler/(gelirler)		**873,253**
EBITDA		**7,253,069**

	1 January – 31 March 2015
Net loss for the period	(14,946,098)
Tax	(3,624,510)
Financial income	(1,013,606)
Financial expense	24,283,475
Amortisation	3,112,377
Provision for employee benefit	223,098
Provision for unused vacation	86,572
Non-recurring expenses/(income)	260,562
EBITDA	8,381,870