

İHLAS HOUSEHOLD APPLIANCES MANUFACTURING TRADE AND INDUSTRY INC.

CONSOLIDATED BALANCE SHEETS WHICH ARE PREPARED ACCORDING TO UMS-UFRS AS OF THE DATES 31 DECEMBER 2007 and 31 DECEMBER 2006

(Amounts, unless otherwise specified, are specified as New Turkish liras ("NTL"))

	Footnote References	<i>From Independent Audit</i>	
		Previous 31.12.2007	Previous 31.12.2006
BALANCE SHEET (NTL)			
ASSETS			
Current / Liquid Assets		98.956.705	51.749.198
Liquid Assets	4	40.331.421	1.536.912
Securities (net)	5	0	0
Commercial Receivables (net)	7	23.565.098	11.877.735
Financial Leasing Receivables (net)	8	0	0
Receivables from Affiliates (net)	9	8.923.663	18.644.225
Other Receivables (net)	10	0	0
Biological Assets (net)	11	0	0
Stocs (net)	12	24.756.789	19.297.393
Receivables from the continuing construction contracts (net)	13	0	0
Deferred Tax Assets	14	0	0
Other ncurrent/Liquid Assets	15	1.379.734	392.933
Non-current / Fixed Assets		15.941.660	10.562.428
Commercial Receivables (net)	7	186.085	15.547
Financial Leasing Receivables (net)	8	0	0
Receivables from Affiliates (net)	9	0	0
Other Receivables (net)	10	0	0
Financial Assets (net)	16	1.338.997	1.345.356
Postive/Negative unearned increment (net)	17	124.002	0
Investment properties (net)	18	0	0
Tangible Assets (net)	19	9.580.560	8.188.799
Intangible Assets (net)	20	3.764.920	144.553
Defferex Tax Assets	14	947.096	867.998
Other non-current/fixed Assets	15	0	175
TOTAL ASSETS		114.898.365	62.311.626

The attached footnotes are the supplementary parts of the consolidated financial tables.

İHLAS HOUSEHOLD APPLIANCES MANUFACTURING TRADE AND INDUSTRY INC.

CONSOLIDATED BALANCE SHEETS WHICH ARE PREPARED ACCORDING TO UMS-UFRS AS OF THE DATES 31 DECEMBER 2007 and 31 DECEMBER 2006

(Amounts, unless otherwise specified, are specified as New Turkish liras ("NTL"))

	Footnote References	<i>From Independent Audit</i>	
		Previous 31.12.2007	Previous 31.12.2006
BALANCE SHEET (NTL)			
LIABILITIES			
Short Term Liabilities		27.931.750	26.789.685
Financial Debts (net)	6	8.577.373	10.629.631
Current Installments of Long-term Financial Liabilities (net)	6	217.139	211.970
Leasing Debts (net)	8	580.776	202.494
Other Financial Liabilities (net)	10	0	0
Commercial Debts (net)	7	16.065.883	14.384.459
Debts to Affiliates (net)	9	35.298	183.389
Advances Received	21	153.272	0
Progress payments from the continuing construction contracts (net)	13	0	0
Debt Provisions	23	1.772.878	484.433
Deferred Tax Assets	14	0	0
Other Liabilities (net)	15	529.131	693.309
Long Term Liabilities		2.962.599	1.545.239
Financial Debts (net)	6	0	0
Leasing Debts (net)	8	312.984	150.279
Other Financial Liabilities (net)	10	0	0
Commercial Debts (net)	7	0	0
Debts to Affiliates (net)	9	0	0
Advances Received	21	0	0
Debt provisions	23	2.219.720	1.179.938
Deferred Tax Liabilities	14	429.895	215.022
Other liabilities(net)	15	0	0
CONSOLIDATED EQUITY OF PARTICIPATIONS	24	3.269.995	0
EQUITY CAPITAL		80.734.021	33.976.702
Capital	25	72.900.000	32.000.000
Capital Adjustments Due To Cross-Ownership	25	0	0
Share Capital Reserves	26	1.151.740	998.543
Premium on Issues of Common Stock		153.197	0
Cancellation Profits on the Common Stock		0	0
Revaluation Fund		0	0
Financial Assets Growth Fund		0	0
Equity Capital Inflation Correction Differences		998.543	998.543
Profit Reserves	27	980.002	93.037
Legal Reserves		885.411	0
Status Reserves		0	0
Extraordinary Reserves		1.554	0
Special Reserves		93.037	93.037
Participation Stocks added to the capital and Real Estate Sales		0	0
Profits		0	0
Foreign Exchange Money Conversion Differences		0	0
Net Period Profit/Loss		5.702.279	1.205.308
Previous Years Profits/Losses	28	0	(320.186)
TOTAL EQUITY CAPITAL AND LIABILITIES		114.898.365	62.311.626

The attached footnotes are the supplementary parts of the consolidated financial tables.

İHLAS HOUSEHOLD APPLIANCES MANUFACTURING TRADE AND INDUSTRY INC.

CONSOLIDATED INCOME STATEMENTS WHICH ARE PREPARED ACCORDING TO UMS-UFRS FOR THE PERIODS 01 JANUARY-31 DECEMBER 2007 and 01 JANUARY-31 DECEMBER 2006

(Amounts, unless otherwise specified, are specified as New Turkish liras ("NTL"))

		<i>From Independent Audit</i>	
		Previous	Previous
INCOME STATEMENT (NTL)	Footnote	31.12.2007	31.12.2006
	References		
REAL OPERATING INCOME			
Sales Revenues (net)	36	71.751.521	71.883.646
Cost of Sales (-)	36	(58.637.874)	(61.819.256)
Revenues from Services (net)		0	0
Other real operating income / interest+dividend+rent (net)		0	0
GROSS REAL OPERATING PROFIT/LOSS		13.113.647	10.064.390
Operating Expenses (-)	37	(7.702.242)	(4.782.171)
NET REAL OPERATING PROFIT/LOSS		5.411.405	5.282.219
Revenues and profits from other operations	38	910.267	872.491
Expenses and Losses from other operations (-)	38	(1.489.798)	(498.544)
Financial expenses (-)	39	2.540.260	(4.177.524)
OPERATIONAL PROFIT/LOSS		7.372.134	1.478.642
Net monetary Position Profit/Loss		0	0
PROFIT/LOSS FROM CONSOLIDATED PARTICIPATIONS		(289.445)	0
PROFIT/LOSS BEFORE TAX		7.661.579	1.478.642
Taxes	41	(1.959.300)	(273.334)
NET PERIOD PROFIT/LOSS		5.702.279	1.205.308
EARNINGS PER SHARE		0,078	0,038

The attached footnotes are the supplementary parts of the consolidated financial tables.

İHLAS HOUSEHOLD APPLIANCES MANUFACTURING TRADE AND INDUSTRY INC.

CONSOLIDATED EQUITY CAPITAL EXCHANGE TABLES WHICH ARE PREPARED ACCORDING TO UMS-UFRS FOR THE PERIODS 01 JANUARY-31 DECEMBER 2007 and 01 JANUARY-31 DECEMBER 2006

(Amounts, unless otherwise specified, are specified as New Turkish liras (“NTL”))

	Paid Capital	Capital Correction Differences	Share Premium	Share Premium Correction Differences	Profit Reserves	Profit Reserves Correction Differences	Net Period Profit/Loss	Previous year Profit / Loss	Total
1 January 2006	18.225.000	8.259.369	-	93.565	93.037	6.420.609	2.721.280	(3.041.466)	32.771.394
Transfer	13.775.000	(8.259.369)	-	(93.565)	-	(5.422.066)	(2.721.280)	2.721.280	-
Net Period Profit / Loss	-	-	-	-	-	-	1.205.308	-	1.205.308
31 December 2006	32.000.000	-	-	-	93.037	998.543	1.205.308	(320.186)	33.976.702

	Paid Capital	Capital Correction Differences	Share Premium	Share Premium Correction Differences	Profit Reserves	Profit Reserves Correction Differences	Net Period Profit/Loss	Previous year Profit / Loss	Total
1 January 2007	32.000.000	-	-	-	93.037	998.543	1.205.308	(320.186)	33.976.702
Capital increase	40.900.000	-	-	-	-	-	-	-	40.900.000
Share Premium	-	-	153.197	-	-	-	-	-	153.197
Effect of the New Acquisitions	-	-	-	-	1.843	-	-	-	1.843
Transfer	-	-	-	-	885.122	-	(1.205.308)	320.186	-
Net Period Profit / Loss	-	-	-	-	-	-	5.702.279	-	5.702.279
31 December 2007	72.900.000	-	153.197	-	980.002	998.543	5.702.279	-	80.734.021

The attached footnotes are the supplementary parts of the consolidated financial tables.

İHLAS HOUSEHOLD APPLIANCES MANUFACTURING TRADE AND INDUSTRY INC.

CASH FLOW TABLES WHICH ARE PREPARED ACCORDING TO UMS-UFRS FOR THE PERIODS 01 JANUARY-31 DECEMBER 2007 and 01 JANUARY-31 DECEMBER 2006

(Amounts, unless otherwise specified, are specified as New Turkish liras ("NTL"))

	Footnote References	From Independent Audit	
		Previous Current Period 01.01-31.12.2007	Previous Previous Period 01.01-31.12.2006
Cash flow provided from the operating activities			
Net profit	42	5.702.279	1.205.308
Agreement between the net profit and the cash supplied from the operating activities			
Amortization	19	963.142	544.077
Amortisation and depletion expenses	20	544.077	85.689
Provisions for severance payments	23	142.616	(105.651)
Guarantee provisions, net	38	955.000	-
Tax	41	1.959.300	273.334
Profit/loss from consolidated participations	24	(289.445)	-
Long term securities value increase/decrease-net		-	(11.881)
Financial revenues	39	(1.394.092)	(3.068.590)
Financial expenses	39	1.171.190	6.009.491
Fixed asset sales profit, net	38	(100.637)	(123.463)
Other expenses (revenues) which does not need cash outflow / net		396.904	(617.515)
Net operating profit before the changes in the assets and debts		10.050.334	4.190.799
Changes in the assets and debts			
Change in trade receivables		(11.857.900)	(2.438.480)
Change in the receivables from the affiliates		9.720.562	(4.821.775)
Change in the stocks		(5.459.396)	5.589.880
Change in the other liquid assets		(986.801)	388.134
Change in the other fixed assets		(175)	57.708
Change in the financial leasing debts		540.988	-
Change in the commercial debts		1.681.424	(650.522)
Change in the debts to the affiliates		(148.091)	45.658
Change in the advances received		153.272	-
Change in the other short term debts		(164.178)	(179.974)
Paid taxes		(138.817)	(643.613)
Paid severance pays	23	(94.087)	(72.748)
Net cash supplied from the operating activities		3.297.135	1.465.067
Investment operations			
Purchase of tangible assets	19	(2.616.203)	(1.349.850)
Purchase of intangible assets	20	(4.260.683)	(5.800)
Cash provided from the sales of the tangible assets		145.852	20.298
Cash outflow because of the acquisition from the subsidiaries		(38.000)	-
Cash capital increase		40.900.000	-
Cash capital increase of the subsidiaries (part of the consolidated equity of participations)		3.588.000	-
Share premiums		153.197	-
Net cash supplied from the investment operations		37.872.163	(1.335.352)
Financial operations:			
Received and paid interest-net		(327.698)	(1.236.623)
Change in the bank loans		(2.047.090)	1.696.826
Change in the other financial assets		-	352.772
Net cash used in the financial operations		(2.374.788)	812.975
Net increase in the cash and cash equivalents		38.794.509	942.690
Opening balance of the cash and cash equivalents	4	1.536.912	594.222
Nakit ve nakit benzeri değerlerin dönem sonu bakiyesi	4	40.331.421	1.536.912