

(Convenience translation of a report and interim condensed consolidated financial statements originally issued in Turkish)

Gübre Fabrikaları Türk Anonim Şirketi

Interim consolidated statement of cash flows as of 31 March 2017
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Unaudited 1 January – 31 March 2017	Unaudited 1 January – 31 March 2016
Cash flows from operating activities			
Profit from continuing operations		12.316.954	33.678.608
<i>Adjustments to reconcile net profit/(loss) for the period</i>			
Adjustments related to depreciation and amortization expense	9,10	17.482.540	16.831.839
Gain / (loss) on equity investments		13.655.539	1.034.038
Retirement pay provision, early retirement pay liability		20.149.754	11.328.733
Adjustments related to interest expense		25.572.922	20.814.864
Lawsuit provision / cancellation		1.380.840	-
Current year tax income / (expense)		4.898.852	(2.432.289)
Adjustments related to losses (gains) on sale of property, plant and equipments	9, 10	(459.908)	(466.724)
Adjustments related to fair value losses (gains) on investment property		1.460.217	4.046.399
Adjustments related to fair value losses (gains) on derivative financial instruments		(10.033.259)	-
Cash flows from the operating activities before changes in the assets and liabilities		86.424.451	84.835.468
Changes in working capital (net):			
Adjustments related to increase / (decrease) in trade receivables		(116.567.595)	(15.123.403)
Adjustments related to increase / (decrease) in other receivables		(20.684.245)	(13.798.476)
Adjustments related to increase / (decrease) in inventories		113.570.766	342.560.748
Adjustments related to increase / (decrease) in trade payables		148.837.822	(72.193.381)
Employee benefit obligations		(3.793.828)	1.632.294
Increase / (decrease) in deferred income		5.637.695	(12.958.472)
Increase / (decrease) in prepaid expenses		38.156.702	3.892.181
Increase / (decrease) in other payables		21.758.931	(27.352.292)
Adjustments related to other increases / (decreases) in working capital		14.920.477	42.829.301
Cash flows from the operations after the changes in working capital		288.261.176	334.323.968
Interest paid		(25.572.922)	(20.962.895)
Taxes refunds/(payments)		(794.692)	(1.081.312)
Payment termination indemnity		(19.928.191)	(13.430.659)
Cash flow regarding investment activities		241.965.371	298.849.102
Investment activities:			
Cash outflows from the purchases of property, plant and equipment and intangible assets	9, 10	(25.136.398)	(11.725.042)
Proceeds from sales of property, plant and equipment	9, 10	474.101	616.849
Cash outflows from the purchases of investment property		(2.152.549)	-
Other cash inflows / (outflows)		-	1.321.531
Cash flows from investment activities		(26.814.846)	(9.786.662)
Financing activities:			
Cash inflows from financial borrowings		389.781.126	997.274.618
Cash outflows from financial borrowings payments		(512.290.278)	(1.252.121.133)
Interest received		-	148.031
Cash flows from financing activities		(122.509.152)	(254.698.484)
Net change in cash and cash equivalents before effect of foreign currency translation difference		92.641.373	34.363.956
Cash and cash equivalents as of January 1		125.519.427	364.409.394
Foreign currency translation difference		(2.210.046)	8.340.710
Cash and cash equivalents as of March 31		215.950.754	407.114.060

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