

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

GÜBRE FABRİKALARI TÜRK ANONİM ŞİRKETİ

Interim consolidated statement of cash flows as of March 31, 2019

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

	Notes	January 1, - March 31, 2019	January 1,- March 31, 2018
Cash flows from operating activities			
Period income /loss		1.610.261	15.132.483
Adjustments to reconcile net profit/(loss) for the period			
Adjustments related to depreciation and amortization expense	9-10	22.951.302	17.977.912
Gain on equity investments		(887.997)	(1.316.119)
Retirement pay provision, early retirement pay liability		17.120.800	44.016.113
Adjustments related to interest expense		83.158.127	43.799.636
Adjustments related to Impairment of inventories	8	(4.713.930)	--
Adjustments related to trade receivables	7	70.048	511.480
Deferred financial income		8.139	1.807.876
Lawsuit provision / cancellation	12	(193.386)	--
Current year tax income / (expense)		5.810.921	(4.433.087)
Adjustments related to losses (gains) on sale of property, plant and equipments	9-10	--	(48.070)
Adjustments related to fair value losses (gains) on derivative financial instruments		(4.280.940)	(8.892.753)
Cash flows from the operating activities before changes in the assets and liabilities		120.653.345	108.555.471
Changes in working capital (net):			
Adjustments related to increase / (decrease) in trade receivables		(82.283.313)	(139.097.399)
Adjustments related to increase / (decrease) in other receivables		(20.486.557)	(39.476.972)
Adjustments related to increase / (decrease) in inventories		275.368.467	288.403.316
Adjustments related to increase / (decrease) in trade payables		183.685.705	(162.743.796)
Employee benefit obligations		(10.372.441)	11.437.595
Increase / (decrease) in deferred income		(25.106.934)	3.623.781
Increase / (decrease) in prepaid expenses		(32.331.134)	41.128.449
Increase / (decrease) in other payables		437.159	206.154.922
Adjustments related to other increases / (decreases) in working capital		(20.354.674)	(5.630.016)
Cash flows from the operations after the changes in working capital		389.209.623	312.355.351
Interest paid		(17.718.881)	(57.625.903)
Taxes refunds/(payments)		(6.572.582)	15.439.441
Payment termination indemnity		(14.584.083)	(19.785.203)
Cash flow regarding investment activities		350.334.077	250.383.686
Cash flows from investment activities			
Cash outflows from the purchases of property, plant and equipment and intangible assets	9-10	(21.872.328)	(13.981.591)
Proceeds from sales of property, plant and equipment	9-10	12.820	3.393.368
Cash outflows from purchases of subsidiary share		--	(33.591.602)
Other cash inflows / (outflows)		(23.497.077)	(3.802.797)
Cash flows from investment activities		(45.356.585)	(47.982.622)
Cash flows from financing activities			
Cash inflows from financial borrowings		718.390.710	1.263.292.854
Cash outflows from financial borrowings payments		(685.030.245)	(1.398.431.625)
Cash flows from financing activities		33.360.465	(135.138.771)
Net change in cash and cash equivalents before effect of foreign currency translation difference		338.337.957	67.262.293
Cash and cash equivalents as of January 1		359.227.711	223.188.075
Foreign currency translation difference		(28.171.323)	(3.892.398)
Cash and cash equivalents as of March 31		669.394.345	286.557.970