

(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 June 30, 2019

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

	Notes	January 1, - June 30, 2019	January 1,- June 30, 2018
Cash flows from operating activities			
Period income /loss		2.666.426	36.421.970
Adjustments to reconcile net profit/(loss) for the period			
Adjustments related to depreciation and amortization expense	9-10	41.271.355	35.945.611
Gain on equity investments		(2.042.238)	(4.431.516)
Retirement pay provision, early retirement pay liability		46.610.370	48.472.363
Adjustments related to interest expense		162.394.810	55.854.706
Adjustments related to Impairment of inventories	8	(5.356.848)	133.331
Adjustments related to trade receivables	7	1.622.122	2.294.632
Deferred financial income		(867.393)	(591.516)
Lawsuit provision / cancellation	12	868.813	1.008.049
Current year tax income / (expense)		(7.990.627)	(22.417.500)
Adjustments related to losses (gains) on sale of property, plant and equipments	9-10	67.398	--
Adjustments related to fair value losses (gains) on derivative financial instruments		9.475.438	(13.486.084)
Other Adjustments		77.702	--
Cash flows from the operating activities before changes in the assets and liabilities		248.797.328	139.204.046
Changes in working capital (net):			
Adjustments related to increase / (decrease) in trade receivables		(58.195.995)	(132.600.665)
Adjustments related to increase / (decrease) in other receivables		(1.504.915)	(68.209.725)
Adjustments related to increase / (decrease) in inventories		363.468.235	(98.671.158)
Adjustments related to increase / (decrease) in trade payables		470.290.004	240.695.967
Employee benefit obligations		(12.831.505)	13.278.040
Increase / (decrease) in deferred income		(32.193.698)	4.705.336
Increase / (decrease) in prepaid expenses		(11.159.320)	13.611.992
Increase / (decrease) in other payables		(73.498.769)	232.552.430
Adjustments related to other increases / (decreases) in working capital		(126.203.201)	43.448.206
Cash flows from the operations after the changes in working capital		766.968.164	388.014.469
Interest paid		(104.138.233)	(70.174.440)
Taxes refunds/(payments)		(8.910.115)	(2.659.606)
Payment termination indemnity		(20.724.616)	(44.659.633)
Cash flow regarding investment activities		633.195.200	270.520.790
Cash flows from investment activities			
Cash outflows from the purchases of property, plant and equipment and intangible assets	9-10	(66.287.368)	(25.070.993)
Proceeds from sales of property, plant and equipment	9-10	32.972	5.924.580
Other cash inflows / (outflows)		(19.642.413)	50.043.037
Cash flows from investment activities		(85.896.809)	30.896.624
Cash flows from financing activities			
Cash inflows from financial borrowings		1.737.768.719	1.313.544.139
Cash outflows from financial borrowings payments		(2.118.114.175)	(1.374.388.791)
Cash flows from financing activities		(380.345.456)	(60.844.652)
Net change in cash and cash equivalents before effect of foreign currency translation difference		166.952.935	240.572.762
Cash and cash equivalents as of January 1		359.227.711	223.188.075
Foreign currency translation difference		(115.411.715)	9.552.083
Cash and cash equivalents as of March 31		410.768.931	473.312.920