

**ULUSOY UN SANAYİ VE TİCARET A.Ş.
AND IT'S SUBSIDIARY**

**JANUARY 1 – JULY 30, 2016
CONSOLIDATED FINANCIAL STATEMENTS
AND AUDIT REPORT**

**(Convenience translation of interim consolidated financial
information originally issued in Turkish)**

**Report Date: 19.08.2016
Report Number: AU/2016/016**



DMR Bağımsız Denetim ve Danışmanlık A.Ş.
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AUDITOR'S REVIEW REPORT REGARDING INTERIM CONSOLIDATED FINANCIAL INFORMATION

To the Board of Directors of Ulusoy Un Sanayi ve Ticaret A.Ş.,

Introduction

We have reviewed the accompanying interim consolidated financial information of Ulusoy Un Sanayi ve Ticaret A.Ş. ("The Company") and its subsidiary (all together "The Group") as of June 30, 2016 and the related statements of consolidated income, consolidated changes in equity and consolidated cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Turkish Accounting Standards. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial information does not give a true and fair view of consolidated financial position of the entity as at June 30, 2016, and of its consolidated financial performance and its consolidated cash flows for the six month period then ended in accordance with Turkish Accounting Standards.

İstanbul, August 19, 2016.

DMR BAĞIMSIZ DENETİM VE DANIŞMANLIK ANONİM ŞİRKETİ
A member firm of Kudos International Network



Defne Demir, Ph.D
Partner

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ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF JUNE 30,2016
(Amounts expressed in TL, unless otherwise is stated.)

ASSETS	Note	Reviewed 30.06.2016	Audited 31.12.2015
Current Assets		427.178.340	430.476.542
Cash and Cash Equivalents	6	150.266.200	44.688.907
Financial Investments	7	225.174	290.931
Trade Receivables	10	207.400.137	202.008.828
Receivables from Finance Sector Operations	12	-	-
Other Receivables	11	2.902.400	3.700.674
Derivative Financial Instruments	13	2.025.599	8.869.096
Inventories	14	39.835.198	140.128.664
Biological Assets	15	-	-
Prepaid Expenses	16	17.414.353	27.564.094
Corporate Tax Assets	20	1.006.604	15.987
Other Current Assets	28	6.102.675	3.209.361
(Sub Total)		427.178.340	430.476.542
Fixed Assets Held for Sale	35	-	-
Non-Current Assets		79.377.719	72.630.710
Financial Investments	7	15.000	15.000
Trade Receivables	10	8.330.504	7.795.160
Receivables from Financial Sector Activities	12	-	-
Other Receivables	11	31.013	26.882
Derivative Financial Instruments	13	-	-
Investments Valued by Equity Method	18	4.286.492	4.167.980
Biological Assets	15	-	-
Investment Properties	19	7.134.142	7.094.142
Tangible Assets	21	52.870.920	46.144.226
Intangible Assets	22	460.240	503.319
-Goodwill	22	-	-
-Other Intangible Assets	22	460.240	503.319
Prepaid Expenses	16	4.030.806	4.418.420
Deferred Tax Assets	36	2.218.602	2.465.581
Other Non-Current Assets	28	-	-
TOTAL ASSETS		506.556.059	503.107.252

Consolidated financial statements for the period between January 1 and June 30, 2016 were approved at the board meeting on August 19, 2016 and signed by Eren Günhan Ulusoy, Kamil Adem, Salih Zeki Murzioğlu, Vedat Ceyhan and Kemal Kitaplı on behalf of the Board of Directors.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF JUNE 30,2016 (Amounts expressed in TL, unless otherwise is stated.)

LIABILITIES	Note	Reviewed 30.06.2016	Audited 31.12.2015
Short Term Liabilities		328.636.588	326.793.283
Short Term Financial Borrowings	8	26.505.200	74.314.521
Short Term Portions of Long Term Financial Borrowings	8	4.426.352	13.318.859
Other Financial Liabilities	9	-	-
Trade Payables	10	285.194.617	233.915.632
Payables from Finance Sector Operations	12	-	-
Payables Related with Employee Benefits	26	634.439	753.913
Other Payables	11	39.900	38.120
Derivative Financial Instruments	13	4.331.061	-
Government Grants	23	-	-
Deferred Incomes	16	6.679.624	3.960.839
Corporate Tax Liabilities	36	-	279.760
Short Term Provisions	24	145.554	39.231
-Short Term Provisions for Employee Benefits	26/24	145.554	-
-Other Short Term Provisions	24	-	39.231
Other Short Term Liabilities	28	679.841	172.408
(Sub Total)		328.636.588	326.793.283
Liabilities of Fixed Assets Held for Sales Purpose	35	-	-
Long Term Liabilities		7.747.710	6.545.630
Long Term Financial Borrowings	8	3.704.876	651.463
Other Financial Liabilities	9	-	-
Trade Payables	10	-	-
Payables from Finance Sector Operations	12	-	-
Other Payables	11	-	-
Derivative Financial Instruments	13	-	-
Government Grants	23	-	-
Deferred Incomes	16	-	-
Long Term Provisions	24	879.865	719.701
-Long Term Provisions for Employee Benefits	26/24	879.865	719.701
-Other Long Term Provisions	24	-	-
Corporate Tax Liabilities		-	-
Deferred Tax Liabilities	36	3.162.969	5.174.466
Other Long Term Liabilities	28	-	-
Shareholder's Equity	29	170.171.761	169.768.339
Equity Holders of The Parent Company		170.171.761	169.768.339
Paid in Capital		84.500.000	84.500.000
Share Premiums on Capital Stock		38.607.992	38.607.992
Accumulated Other Comprehensive (Income) Expenses not to be Reclassified in Profit and (Loss)		4.447.985	4.499.957
-Revaluation and Remeasurement Gains/ (Losses)		4.780.452	4.780.452
-Actuarial Gains/ (Losses) Related to Employee Benefit		(332.467)	(280.495)
Other Accumulated Comprehensive Income or Expenses to be Classified in Profit or (Loss)		-	-
- Hedging Gains/(Losses)		-	-
Other Reserves		-	-
Restricted Reserves		3.330.315	2.120.395
Retained Earnings		35.944.056	31.736.786
Net Profit/(Loss) for the Period		3.341.413	8.303.209
Non-Controlling Interests		-	-
TOTAL LIABILITIES		506.556.059	503.107.252

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED PROFIT OR LOSS STATEMENT FOR THE PERIOD BETWEEN JANUARY 1 – JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

	Note	Reviewed 01.01.2016 30.06.2016	Not Reviewed 01.04.2016 30.06.2016	Reviewed* 01.01.2015 30.06.2015	Not Reviewed* 01.04.2015 30.06.2015
OPERATING ACTIVITIES					
Revenue	30	510.731.657	251.095.150	449.266.268	260.133.680
Cost of Sales (-)	30	(476.472.230)	(247.089.086)	(417.149.450)	(244.544.367)
Gross Profit/Loss From Commercial Activity		34.259.427	4.006.064	32.116.818	15.589.313
Income from Financial Sector Activities		-	-	-	-
Cost of Financial Sector Activities (-)		-	-	-	-
Gross Profit/(Loss) From Financial Sector Activities		-	-	-	-
GROSS PROFIT/(LOSS)		34.259.427	4.006.064	32.116.818	15.589.313
General Administrative Expenses (-)	31	(3.253.025)	(1.741.815)	(3.245.529)	(1.753.610)
Marketing Expenses (-)	31	(14.296.340)	(7.205.761)	(11.630.188)	(6.400.596)
Research and Development Expenses (-)	31	-	-	-	-
Other Operating Income	32	17.740.426	9.344.952	20.707.110	7.890.476
Other Operating Expenses (-)	32	(20.067.369)	1.652.005	(13.305.309)	(4.823.021)
OPERATING PROFIT/(LOSS)		14.383.119	6.055.445	24.642.902	10.502.562
Income from Investing Activities	32	261.506	566	295.952	288.922
Expenses from Investing Activities	32	-	-	-	-
Shares of Investments Evaluated by Equity Method in Profit/(Loss)	33	118.512	12.767	158.460	49.177
OPERATING PROFIT/(LOSS) BEFORE FINANCIAL EXPENSE		14.763.137	6.068.778	25.097.314	10.840.661
Financial Income	34	35.860.550	19.929.471	35.173.377	12.063.734
Financial Expenses (-)	34	(47.251.836)	(28.492.702)	(54.745.964)	(16.462.050)
CONTINUING OPERATIONS PROFIT/(LOSS) BEFORE TAX		3.371.851	(2.494.453)	5.524.727	6.442.345
Continuing Operations Tax Income/(Expenses)	36	(30.438)	764.052	(3.023.800)	(560.715)
Current Period Tax Income/(Expenses)		(1.781.963)	959.801	(9.528)	(9.528)
Deferred Tax Income/(Expenses)		1.751.525	(195.749)	(3.014.272)	(551.187)
CONTINUING OPERATIONS PROFIT/(LOSS) FOR THE PERIOD		3.341.413	(1.730.401)	2.500.927	5.881.630
DISCONTINUED OPERATIONS PROFIT/(LOSS) FOR THE PERIOD		-	-	-	-
The Profit/(Loss) of Discontinued Operations After Tax		-	-	-	-
NET PROFIT/(LOSS) FOR THE PERIOD		3.341.413	(1.730.401)	2.500.927	5.881.630
Net Profit/(Loss) Attributable To:		3.341.413	(1.730.401)	2.500.927	5.881.630
Non-Controlling Interests					
Equity Holders of The Parent Company		3.341.413	(1.730.401)	2.500.927	5.881.630
Earnings Per Share	37	0,0395	-	0,0296	0,0696
Earnings Per Share from Continuing Operations		0,0395	-	0,0296	0,0696
Earnings Per Share from Discontinued Operations		-	-	-	-
Diluted Earnings Per Share		-	-	-	-
Diluted Earnings Per Share From Continuing Operations		-	-	-	-
Diluted Earnings Per Share From Discontinued Operations		-	-	-	-

* Vide note 2.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED OTHER COMPREHENSIVE INCOME FOR THE PERIOD BETWEEN JANUARY 1 – JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

		Reviewed 01.01.2016 30.06.2016	Not Reviewed 01.04.2016 30.06.2016	Reviewed 01.01.2015 30.06.2015	Not Reviewed 01.04.2015 30.06.2015
Note					
OTHER COMPREHENSIVE INCOME					
Not to be Classified in Profit or (Loss)	29	(51.972)	(27.266)	(17.043.011)	(16.857.099)
Tangible Assets Revaluation		-	-	(21.199.664)	(21.199.664)
Increases/(Decreases)					
Intangible Assets Revaluation		-	-	-	-
Increases/(Decreases)					
Defined Benefit Plans Revaluation		(64.965)	(34.083)	(104.098)	128.291
Gains/(Losses)					
Shares Not to be Classified to Profit/(Loss)		-	-	-	-
from Other Comprehensive Income of					
Investment Valued By Equity Method		-	-	-	-
Other Comprehensive Income Items Not to		-	-	-	-
Classify to Other Profit/(Loss)					
Taxes Related to Other Comprehensive Income		12.993	6.817	4.260.751	4.214.274
Not to Reclassified to Profit/(Loss)					
<i>Current Period Tax Income / (Expenses)</i>		-	-	-	-
<i>Deferred Tax Income / (Expenses)</i>		12.993	6.817	4.260.751	4.214.274
To be Classified in Profit or (Loss)		-	-	-	-
Foreign Currency Conversion Adjustments		-	-	-	-
Revaluation and/or Classification					
Gains/(Losses) of Available For Sale Financial		-	-	-	-
Assets					
Cash Flow Hedge Gains/(Losses)		-	-	-	-
Investment Hedge Gains/(Losses) Related to		-	-	-	-
Foreign Business					
Shares to be Classified in Profit/(Loss) from		-	-	-	-
Other Comprehensive Income of Investment					
Valued By Equity Method		-	-	-	-
Other Comprehensive Income Items to		-	-	-	-
Classify to Other Profit/(Loss)					
Taxes Related to Other Comprehensive		-	-	-	-
Income to Reclassify to Profit/(Loss)					
<i>Current Period Tax Income / (Expenses)</i>		-	-	-	-
<i>Deferred Tax Income / (Expenses)</i>		-	-	-	-
OTHER COMPREHENSIVE INCOME		(51.972)	(27.266)	(17.043.011)	(16.857.099)
TOTAL COMPREHENSIVE INCOME		3.289.441	(1.757.667)	(14.542.084)	(10.975.469)
Total Comprehensive Income Attribute To:		-	-	-	-
Non-Controlling Interests		-	-	-	-
Equity Holders of The Parent Company		3.289.441	(1.757.667)	(14.542.084)	(10.975.469)

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD BETWEEN JANUARY 1 – JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Accumulated Other Comprehensive Income or Expenses Not To Be Reclassified									
Under Profit Or Loss						Accumulated Profit/(Loss			
Note	Paid in Capital	Share Premiums on Capital Stock	Tangible Assets Revaluation Surplus	Actuarial Gains/(Losses) Related to Employee Benefits	Restricted Reserves	Retained Earnings	The Profit /(Loss) of Period)	Total	
December 31, 2014 Balance	84.500.000	38.607.992	21.763.600	(47.399)	1.400.369	2.474.682	14.189.389	162.888.633	
Tangible Assets Revaluation Surplus Transfer	29	-	-	-	-	21.186.949	-	21.186.949	
Transfer to Retained Earnings	29	-	-	-	-	14.189.389	(14.189.389)	-	
Dividends Paid	29	-	-	-	-	720.026	(6.156.219)	(5.436.193)	
Total Comprehensive Income	29	-	-	(16.959.732)	(83.279)	-	2.500.927	(14.542.084)	
June 30, 2015 Balance (Consolidated Reviewed)	84.500.000	38.607.992	4.803.868	(130.678)	2.120.395	31.694.801	2.500.927	164.097.305	
December 31, 2015 Balance	84.500.000	38.607.992	4.780.452	(280.495)	2.120.395	31.736.786	8.303.209	169.768.339	
Transfer to Retained Earnings	29	-	-	-	-	8.303.209	(8.303.209)	-	
Dividends Paid	29	-	-	-	-	1.209.920	(4.095.939)	(2.886.019)	
Tangible Assets Revaluation Surplus Transfer	29	-	-	-	-	-	-	-	
Total Comprehensive Income	29	-	-	-	(51.972)	-	3.341.413	3.289.441	
June 30, 2016 Balance (Consolidated Reviewed)	84.500.000	38.607.992	4.780.452	(332.467)	3.330.315	35.944.056	3.341.413	170.171.761	

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD BETWEEN JANUARY 1 – JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

	Note	Reviewed 01.01.2016 30.06.2016	Reviewed 01.01.2015 30.06.2015
A. Cash Flow From Operating Activities		158.263.921	69.056.117
Net Profit/(Loss) For The Period	29	3.341.413	2.500.927
Adjustment Related to Period Profit/Loss Agreement		(999.621)	5.350.769
Adjustments Related to Depreciation and Amortisation Expense	31	1.361.082	1.106.790
Adjustments Related to Interest Income/Expense		(810.700)	1.156.465
Adjustments Related to Provisions		201.522	73.242
Adjustments Related to Tax Income/Expense		(1.751.525)	3.014.272
Changes in Working Capital		155.922.129	61.204.421
Adjustments Related to Increase/Decrease in Inventories	14	100.293.466	125.555.031
Adjustments Related to Increase/Decrease in Trade Receivables	10	(5.926.653)	(40.915.428)
Adjustments Related to Increase/Decrease in Other Receivables	11	794.143	(758.860)
Adjustments Related to Increase/Decrease in Trade Payables	10	51.278.985	(15.596.889)
Adjustments Related to Increase/Decrease in Other Payables	11	1.780	(5.860)
Adjustments Related to Other Increase/Decrease in Working Capital		9.480.408	(7.073.573)
B. Cash Flows From Investing Activities		3.037.106	(19.780.948)
Purchase of Tangible and Intangible Asset	19/21 /22	(8.111.052)	-
Disposal of Tangible and Intangible Asset	21/22	26.355	(5.181.975)
Cash Outflows for Debt Instruments or Shares of Other Companies or Funds	7/18	(52.755)	247.716
Cash Inflows for Debt Instruments or Shares of Other Companies or Funds	7/18	-	-
Derivative Instruments Cash Inflows	13	11.174.558	(14.846.689)
Derivative Instruments Cash Outflows	13		-
C. Cash Flows From Financing Activities		(55.723.734)	(1.113.599)
Capital Contribution	29	-	-
Cash Inflows from Financial Borrowings		76.161.238	189.893.880
Cash Outflows from Financial Payments		(128.139.200)	(181.319.287)
Received Interest	34	3.573.686	7.899.937
Interest Paid	34	(4.433.439)	(12.151.936)
Dividends Paid	29	(2.886.019)	(5.436.193)
Net Increase/(Decrease) in Cash and Cash Equivalents Before The Effect Of Foreign Currency Exchange Differences (A+B+C)		105.577.293	48.161.570
D. Effect of Foreign Currency Exchange Adjustments on Cash and Cash Equivalents		-	-
Net Increase/Decrease in Cash and Cash Equivalents (A+B+C+D)		105.577.293	48.161.570
E. Cash and Cash Equivalents at the Beginning of the Period	6	44.688.907	66.466.944
Cash and Cash Equivalents at the End of the Period (A+B+C+D+E)	6	150.266.200	114.628.514

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

1. ORGANIZATION AND OPERATIONS OF THE COMPANY

Ulusoy Un Sanayi ve Ticaret Anonim Şirketi ("The Company") was established in 1989 to produce, trade, export and import all kinds of food products from cereals and legumes.

The Company's registered head office address is Atatürk Bulvarı No: 272 Kutlukent / Samsun.

The Company's registered capital ceiling is 150.000.000-TL. The permission of registered capital ceiling given by Capital Market Board ("CMB") is valid between 2013 – 2017 (for 5 Years).

In the meeting dated November 7, 2014 and numbered 32/1095, CMB has allowed The Company to public offer on November 12-13-14, 2014 by book building (demand gathering) method. Total of 23.500.000 TL nominal value shares, which were offered to public by capital increase and sales of shareholders, were sold. 27, 81% of The Company shares have been traded in Borsa İstanbul since November 20, 2014. The issued capital of The Company is 84.500.000 TL (Eightyfourmillion and fivehundredthousand Turkish Lira). This capital consists of 9.750.000 Group A shares, 6.500.000 Group B shares and 68.250.000 Group C shares and each worth 1,00TL that makes a total of 84.500.000 TL. Group A and B shares are registered to the name and Group C shares which are traded in Borsa Istanbul are registered to the bearer, other Group C shares are registered to the name. Group A shares have privilege to vote in the election of Board of Directors, Group A and B shares have privilege to vote in General Assembly and not considering independent members, in case the Board of Directors consist of five members, at least two members, in case it consists of six or seven members, at least three members, in case it consists of eight or nine members, at least four members, in case it consists of ten or eleven members, at least five members must be chosen among the candidates who are nominated by the majority of Group A shareholders. Group A shareholders or representatives have 15 votes, Group B shareholders or representatives have 10 votes, Group C shareholders or representatives have 1 vote for each share in the ordinary or extraordinary General Assembly.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Partnership structure of The Company is as follows:

Shareholder	Number of Shares	Group	Rate (%)	Amount
Fahrettin Ulusoy	4.550.000	A	5,38	4.550.000
	1.950.000	B	2,31	1.950.000
	23.873.882	C	28,25	23.873.882
	30.373.882		35,94	30.373.882
Nevin Ulusoy	650.000	A	0,77	650.000
	1.300.000	B	1,54	1.300.000
	5.830.756	C	6,90	5.830.756
	7.780.756		9,21	7.780.756
Onur Erhan Ulusoy	650.000	A	0,77	650.000
	1.950.000	B	2,31	1.950.000
	7.423.684	C	8,78	7.423.684
	10.023.684		11,86	10.023.684
Eren Günhan Ulusoy	3.900.000	A	4,62	3.900.000
	1.300.000	B	1,54	1.300.000
	7.499.375	C	8,88	7.499.375
	12.699.375		15,04	12.699.375
Kamil Adem	26.941	C	0,03	26.941
	26.941		0,03	26.941
Mithat Denizcigil	95.362	C	0,11	95.362
	95.362		0,11	95.362
Public Shares	23.500.000	C	27,81	23.500.000
	84.500.000		100,00	84.500.000

The Company has 233 employees as of June 30, 2016 (December 31, 2015:230 employees).

The Company has one subsidiary as of reporting date. The shares on the subsidiary are as follows:

Subsidiaries	June 30, 2016 (Rate)	December 31, 2015 (Rate)
Uludaş Tarım Ürünleri Lisanslı Depoculuk A.Ş.	% 100	% 100

Uludaş Tarım Ürünleri Lisanslı Depoculuk A.Ş. ("Uludaş")

Uludaş was established on February 27, 2015 in order to operate as licensed warehouse by stocking and retaining "agricultural commodity in scope of license" for commercial purpose in healthy conditions.

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Uludaş's registered head office address is Atatürk Bulvarı No: 272 Tekkeköy/ Samsun. Uludaş has 2 employees as of June 30, 2016. (December 31, 2015:1 employee)

The Capital as of June 30, 2016 is 5.000.000 TL and there isn't unpaid capital.

The Company and Uludaş all together, will be referred as the "Group".

2. BASIS OF THE FINANCIAL STATEMENTS

2.1. Basis of Presentation

2.1.1. Statement of Compliance

The Group prepares its accounting records in accordance with the accounting principles of Turkish Commercial Code and Turkish Tax Law and prepares legal financial statements in Turkish Lira (TL).

The accompanying financial statements are prepared in accordance with the Turkish Accounting Standards ("TAS") / Turkish Financial Reporting Standards ("TFRS"), which are endorsed by the Public Oversight Accounting and Auditing Standard Authority according to Communiqué No:II, 14.1 "Communiqué on Financial Reporting Standards in Capital Markets" ("the Communiqué") promulgated by CMB, which is published in the Official Gazette dated June 13, 2013 and numbered 28676.

Consolidated financial statements for the period between January 1 and June 30, 2016 were approved at the board meeting on August 19, 2016 and signed by Eren Günhan Ulusoy, Kamil Adem, Salih Zeki Murzioğlu, Vedat Ceyhan and Kemal Kitaplı on behalf of the Board of Directors.

The Company's General Assembly and/or legal authorities have the authority to change the accompanying consolidated financial statements.

2.1.2. Basis of Financial Statements Preparation

The consolidated financial statements as of June 30, 2016 are prepared in accordance with the Communiqué.

Paid in capital and restricted reserves are expressed by the amounts in legal records.

The accompanying consolidated financial statements contain adjustments and classifications of The Group's legal records according to the Communiqué promulgated by CMB.

The consolidated financial statements and notes were prepared in accordance with the formats required by CMB's communiques and decrees.

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The Group's consolidated financial statements are prepared in accordance with The Group's sustainability under the assumption of The Group will meet its liabilities and benefit from its assets in the following year .

2.1.3. Reporting Currency

The accompanying consolidated financial statements are presented in TL and all financial information is rounded to the nearest digit.

2.1.4. Adjustment of Financial Statements in Hyperinflation Period

TAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy should be stated in terms of the measuring unit current at the reporting date. Hyperinflation period ceased and also the criteria related to hyperinflation are not valid anymore according to CMB's March 17, 2005 dated and 11/367 numbered decree. Moreover, preparation of financial statements according to inflation accounting has been ceased on January 1, 2005.

2.1.5. Basis of Consolidation

Financial statements as of June 30, 2016, June 30, 2015 and December 31, 2015 are presented as **consolidated financial statements**

The Company's subsidiary details as of June 30, 2016 and December 31, 2015 are as follows:

Subsidiary	June 30, 2016 (Rate)	December 31, 2015 (Rate)
Uludaş Tarım Ürünleri Lisanslı Depoculuk A.Ş.	% 100	%100

The accompanying consolidated financial statements reflect the accounts of The Group and its subsidiaries in the way which is mentioned in the "subsidiaries" note. Necessary adjustments and reclassifications are made in the sense of accordance with legal records, reporting standards, accounting policies of The Group and presentation styles by preparing the financial statements of subsidiaries.

2.1.5.1. Subsidiaries

Subsidiaries are the companies that The Group has control on the activities directly or indirectly. The Group takes a share from operating results of subsidiaries depending on its managing authority on the financial and operational policies of its subsidiaries. Existing and transposable vote rights are considered in determination of control power. Financial statements of subsidiaries are presented in the consolidated financial statements as long as the control power exists.

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The Group owns 100% of Ulidaş as of June 30, 2016 and December 31, 2015. Considering The Company has full control authority on the activities of Ulidaş, financial statements of Ulidaş are included in the accompanying consolidated financial statements with full consolidation method.

2.1.5.2. Elimination by Consolidation

Statement of financial position and profit or loss statement of Ulidaş are consolidated with full consolidation method and recorded values of Ulidaş which are presented as subsidiaries in The Group's books and equity of Ulidaş are offset reciprocally. Consolidated financial statements are purified from all balances, transactions and all sorts of unrealized income and expenses arising from transactions between The Group and Ulidaş. When necessary, adjustments are made in financial statements of subsidiaries in order to follow same accounting policies with The Company. All transactions, balances, income and expenses within The Group are eliminated by consolidation.

2.1.5.3. Non-controlling Interests

Non-controlling interests in net assets of consolidated subsidiaries are expressed separately in shareholders' equity of The Group. Non-controlling interests consist of amount of these interests which realised in the beginning of merger and amount of non-controlling interests in the changes in equity since merging date.

2.1.6. Comparative Information and Prior Period Financial Statement Correction

Consolidated financial statements are presented comparatively. Comparative information is reclassified in order to be in conformity with the presentation of the current period consolidated financial statements if necessary.

Financial statements as of June 30, 2015 were reclassified according to the CMB's Communiqué No:II, 14.1 "Communiqué on Financial Reporting Standard in Capital Markets" ("the Communiqué"), which is published on June 13, 2013 in the Official Gazette numbered 28676. Trade receivables' maturity differences and interests etc. were realised as interest income and foreign exchange differences not as revenue. These amounts are recognised in trade receivables and related explanations are given in the footnotes. Mentioned interest income, foreign exchange differences etc. are recognised in Profit or Loss Statement and Statement of Other Comprehensive Income Under Other Operating Income. Also accruals for trade payables' maturity differences and interests etc. were realised under trade payables. Related explanations are given in the footnotes. Mentioned interest expenses, foreign exchange differences etc. are recognised in Profit or Loss Statement and Statement of Other Comprehensive Income Under Other Operating Expenses.

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Differences of reclassified financial statements are as follows:

	Reclassified				Differences	Differences
	January 1 - June 30, 2015	April 1- June 30 2015	January 1 - June 30, 2015	April 1- June 30 2015	January 1 - June 30, 2015	April 1- June 30 2015
OPERATING ACTIVITIES						
Revenue	449.266.268	260.133.680	449.266.268	260.133.680	-	-
Cost of Sales (-)	(417.149.450)	(244.544.367)	(417.149.450)	(244.544.367)	-	-
Gross Profit/Loss From Commercial Activity	32.116.818	15.589.313	32.116.818	15.589.313	-	-
GROSS PROFIT/(LOSS)	32.116.818	15.589.313	32.116.818	15.589.313	-	-
General Administrative Expenses (-)	(3.245.529)	(1.753.610)	(3.245.529)	(1.753.610)	-	-
Marketing Expenses (-)	(11.630.188)	(6.400.596)	(11.630.188)	(6.400.596)	-	-
Research and Development Expenses (-)	-	-	-	-	-	-
Other Operating Income	20.707.110	7.890.476	2.252.964	1.139.164	18.454.146	6.751.312
Other Operating Expenses (-)	(13.305.309)	(4.823.021)	(1.436.652)	(576.431)	(11.868.657)	(4.246.590)
OPERATING PROFIT/(LOSS)	24.642.902	10.502.562	18.057.413	7.997.840	6.585.489	2.504.722
Income from Investing Activities	295.952	288.922	-	-	295.952	288.922
Expenses from Investing Activities	-	-	-	-	-	-
Shares of Investments Evaluated by Equity Method in Profit/(Loss)	158.460	49.177	158.460	49.177	-	-
OPERATING PROFIT/(LOSS) BEFORE FINANCIAL EXPENSE	25.097.314	10.840.661	18.215.873	8.047.017	6.881.441	2.793.644
Financial Income	35.173.377	12.063.734	53.923.475	19.103.968	(18.750.098)	(7.040.234)
Financial Expenses (-)	(54.745.964)	(16.462.050)	(66.614.621)	(20.708.640)	11.868.657	4.246.590
CONTINUING OPERATIONS PROFIT/(LOSS) BEFORE TAX	5.524.727	6.442.345	5.524.727	6.442.345	-	-
Continuing Operations Tax Income/(Expenses)	(3.023.800)	(560.715)	(3.023.800)	(560.715)	-	-
Current Period Tax Income/(Expenses)	(9.528)	(9.528)	(9.528)	(9.528)	-	-
Deferred Tax Income/(Expenses)	(3.014.272)	(551.187)	(3.014.272)	(551.187)	-	-
CONTINUING OPERATIONS PROFIT/(LOSS) FOR THE PERIOD	2.500.927	5.881.630	2.500.927	5.881.630	-	-
DISCONTINUED OPERATIONS PROFIT/(LOSS) FOR THE PERIOD						
The Profit/(Loss) of Discontinued Operations After Tax	-	-	-	-	-	-
NET PROFIT/(LOSS) FOR THE PERIOD	2.500.927	5.881.630	2.500.927	5.881.630	-	-

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(Amounts expressed in TL, unless otherwise is stated.)

2.1.7. Offsetting

Financial assets and liabilities are reported on net basis in the consolidated statement of financial position; if there is legal offsetting right, they are paid on net basis or collection is possible or acquisition and payment are realised simultaneously.

2.1.8. Changes in Accounting Policies

Changes in accounting policies are applied retroactively and the financial statements of the prior period are prepared accordingly.

2.1.9. Changes in Accounting Estimates and Errors

If estimated changes in accounting policies are for only one period, changes are applied in the current period but if the estimated changes continue for the following periods, changes are applied both in the current and following periods prospectively. Determined accounting errors are applied retroactively and the financial statements of the prior periods are reprepared accordingly.

2.1.10. Summary of Significant Accounting Policies

2.1.10.1. Revenue

Revenue is the gross inflow of economic benefits during the period arising in the course of the ordinary activities of The Group when those inflows result in increases in equity, other than increases relating to contributions from equity participants. Revenue includes only the gross inflows of economic benefits received and receivable by The Group on its own account. Revenue is recognised when it is probable that future economic benefits will flow to The Group and these benefits can be measured reliably and revenue shall be measured at the fair value of the consideration received or receivable. Net sales are calculated by deducting sales returns and sales discounts from gross sales.

Revenue from the sale of goods shall be recognised when all the following conditions have been satisfied:

- (a) The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) The amount of revenue can be measured reliably;
- (d) It is probable that the economic benefits associated with the transaction will flow to The Group;
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Group's revenue is composed of wheat, corn, flour, bran, razmol and ear of wheat sales.

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2.1.10.2. Tangible Assets

Tangible assets such as underground and overland plants, furniture and fixture, plants machinery and equipment of The Group are presented by their cost, including expenses incurred to make it ready for use, after deducting accumulated depreciation and accumulated impairment loss. As of June 30, 2016 and December 31, 2015; lands, buildings and vehicles are reported due to revaluation model in the consolidated financial statements and the realised difference is reported in equity in tangible assets revaluation surplus and in the statement of other comprehensive income in the related period. As of June 30, 2016 and December 31, 2015 7.342.704- TL amount of lands and 16.657.296-TL amount of buildings were acquired by sell and leaseback transaction. When tangible assets are sold, realised profit or loss is presented in profit or loss statement after their cost and accumulated depreciation are deducted from the related accounts. Assets except lands are depreciated by considering the rates which are determined according to their useful lives.

	<u>Useful Life</u>
Underground and Overland Plant	25-40-50 Years
Buildings	25-50 Years
Furniture and Fixture	3-4-5-6-9-10-15-16-50 Years
Vehicles	2-4-5-10-15 Years
Plants Machinery and Equipment	4-5-6-8-10-13-15-16
	17-20-25-40-50 Years

2.1.10.3. Intangible Assets

Intangible assets are recognised by acquisition cost and are amortized by the rates that are determined due to their useful lives.

	<u>Useful Life</u>
Rights	3-4-5-10-15 Years

2.1.10.4. Impairment of Assets

All assets other than financial assets are tested for whether there is an indicator of impairment or not all reporting dates. If such an indicator exists, recoverable amount of that asset is estimated. Recoverable amount of an asset is the higher one of net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its life.

2.1.10.5. Borrowing Costs

All borrowing costs are recognised in consolidated profit or loss statement in the period in which they are incurred because The Group has no qualifying assets.

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2.1.10.6. Inventories

Inventories shall be measured at the lower of cost and net realisable value. The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.1.10.7. Financial Assets

2.1.10.7.1. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments of which maturities are three months or less from the date of acquisition and that are easily convertible to a known amount of cash and are subject to an insignificant risk of change in value. There are not significant differences between their book values and fair values.

2.1.10.7.2. Trade and Other Receivables

Trade and other receivables are recorded by their fair values at the initial recognition, and are subsequently presented by amortized cost by using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Trade receivables and other receivables balances in the consolidated statement of financial position are assumed to be their fair values.

2.1.10.7.3. Derivative Financial Instruments

Derivative financial instruments are held for trading or hedging. The Group holds all derivative financial instruments for trading. The difference between the cost value and the fair value of the financial derivative is recognised in profit/ (loss).

2.1.10.7.4. Available-for-Sale Financial Assets

“Available-for-sale financial assets” are non-derivatives that are not designated in financial assets at fair value through profit or loss, held-to-maturity financial assets or loans and receivables. Available-for-sale equity securities that do not have quoted fair values or for which fair values cannot be reliably measured through alternative methods, are measured by deducting impairment provisions from its cost.

2.1.10.8. Financial Liabilities

2.1.10.8.1. Financial Borrowings

Interest-bearing financial borrowings are initially recognised by fair value, and are subsequently

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revaluated by using effective interest rate method.

2.1.10.8.2. Trade and Other Payables

Trade and other payables are initially recognised by fair value, and are subsequently evaluated by amortized cost by using effective interest rate method. It is assumed that there are not significant differences between book values and fair values of trade and other payables.

Credit Risk:

The Group's credit risk primarily arises from its trade receivables. Trade receivables are evaluated by The Group's management based on prior experiences and the current economic environment, and are presented in the consolidated statement of financial position on net basis after deducting allowances for doubtful receivables.

Market Risk:

Market risk arises from the probable changes in the level of interest rates, currency exchange rates or the price of securities and other financial contracts that might have an adverse financial impact.

Liquidity Risk:

The Group is generally raising funds by liquidating its short-term financial instruments. The proceedings from these instruments are presented by their fair values.

2.1.10.9. Foreign Currency Transactions

Transactions in foreign currencies are exchanged to TL by the rates on the date of transactions. Assets and liabilities denominated in foreign currencies are translated by the exchange rates on the reporting date. Gains and losses arising from settlement and translation of foreign currency items are presented in consolidated profit or loss statement.

2.1.10.10. Earnings Per Share

According to TAS 33; earnings per share presented in the accompanying consolidated profit or loss statement are calculated by dividing net income by the weighted average ordinary number of shares.

2.1.10.11. Subsequent Events

Describe the events that occurred between the reporting date and the authorization date for publishing the consolidated statement of financial position in favour of or against The Group. If there are new proofs showing that such events really exist as of reporting date or the related events reveal following reporting date, The Group states such issues in the related notes.

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If some events that require adjustments revealed after reporting date, The Group should adjust the amounts in the consolidated financial statements according to the new situation.

2.1.10.12. Related Parties

For the purpose of accompanying consolidated financial statements, shareholders of The Group and other companies owned by the shareholders, their directors and key management personnel and any other related person or company are considered and referred as related parties. Related parties expression refers to the control of The Group directly or indirectly, to have right to provide significant impact on The Group or The Group's subsidiaries, members of the board, directors like chief executive officer.

2.1.10.13. Taxes Calculated on The Basis Of The Company's Earnings

In Turkey, corporation tax rate is 20% for 2016. This rate is implemented to the tax base which is calculated by adding non-deductible expenses according to the tax laws and deducting tax exemptions and discounts. Unless the profit is distributed, there is not further tax to be paid.

Companies are required to pay temporary corporate tax based on their quarterly profits at the rate of 20%. Temporary Corporate tax must be submitted by the 14th of the second month following the quarterly period and the tax should be paid until the 17th of the same month. Temporary corporate tax payments are going to be offset against the final corporate tax liability of The Group, which is determined in the annual return. According to the Turkish Tax Laws, stated financial loss can be deducted from profit for five years.

2.1.10.14. Employee Termination Benefits

According to the laws in force, The Group is responsible for making a specific amount of payment to personnel due to rescind reasons except the ones stated in the Labour Law and retirement. Due to TAS 19 'Employee Benefits', employee termination benefits are presented in consolidated financial statements by estimating present value, of the total liability that should be paid to all employees who have right to get severance pay on reporting date.

2.1.10.15. Government Grants and Incentives

Government grants, including non-monetary grants at fair value, shall not be recognised until there is reasonable assurance that:

- (a) The Group will comply with the conditions attaching to them; and
- (b) the grants will be received.

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The manner in which a grant is received does not affect the accounting method to be adopted in regard to the grant. Thus a grant is accounted for in the same manner whether it is received in cash or as a reduction of a liability to the government.

The benefit of a government loan at a below-market rate of interest is treated as a government grant. The loan shall be recognised and measured in accordance with TAS 39 Financial Instruments: Recognition and Measurement. The benefit of the below-market rate of interest shall be measured as the difference between the initial carrying value of the loan determined in accordance with TAS 39 and the proceeds received. The benefit is accounted for in accordance with this Standard. The Group shall consider the conditions and obligations that have been, or must be, met when identifying the costs for which the benefit of the loan is intended to compensate.

There are two broad approaches to the accounting for government grants: the capital approach, under which a grant is recognised outside profit or loss, and the income approach, under which a grant is recognised in profit or loss over one or more periods.

Considering income tax and other taxes are kinds of expense, as a part of financial policies the government grants, are recognised in profit or loss.

2.1.10.16. Investment Properties

The Group chooses fair value method or cost method as an accounting policy and applies it to all investment properties.

A company which choose cost method after the first recognition, measures all investment properties by cost method according to TAS 16.

The Group choses fair value method therefore, profit/loss which appeared by the change in fair value of an investment property, is added to profit/loss of regarding period. Explanations about the Group's investment properties are presented in the note 19.

2.1.10.17. Sell and Leaseback Contract

The Group has signed a Sell and Leaseback Contract with Deniz Finansal Kiralama A.Ş. on March 31, 2015. The Group considers this contract in the scope of IAS 17 Leases. In the relevant contract, the amount that represents the fair value of land and buildings is collected from Leasing Company in the scope of leasing contract is recognised as "Short Term Financial Borrowings" in the consolidated financial statements. According to IAS 17, tangible asset sales profit was recognised in deferred income and leasing payables are transferred to consolidated profit or loss statement due to their periods.

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2.2. Significant Accounting Evaluation, Estimates and Judgments

The preparation of consolidated financial statements in accordance with TFRS, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. If adjustment is necessary, it is reported in consolidated profit or loss statement of the period that adjustment is revealed.

2.3. New and Revised International Financial Reporting Standards

The Group applied all of the relevant and required standards promulgated by Public Oversight Accounting and Auditing Standard Authority as of June 30, 2016.

A number of new standards, amendments to standards and interpretations are not yet effective as of June 30, 2016 and have not been applied during the preparation of the accompanying consolidated financial statements.

There are some new standards and some amendments related with some standards and comments which have not become valid as of June 30, 2016 and have not been considered while preparing the accompanying consolidated financial statements. These amendments are not expected to have an important effect over the accompanying consolidated financial statements.

3. BUSINESS COMBINATIONS

None.

4. BUSINESS PARTNERSHIP

None.

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5. SEGMENTAL REPORTING

June 30,2016	Wheat and Flour Trade	Licensed Warehouse	Elimination	Total
Revenue	510.729.142	7.094	(4.579)	510.731.657
Cost of Sales (-)	(476.475.538)	-	3.308	(476.472.230)
Gross Profit/Loss From Commercial Activity	34.253.604	7.094	(1.271)	34.259.427
General Administrative Expenses (-)	(3.175.550)	(78.746)	1.271	(3.253.025)
Marketing Expenses (-)	(14.296.340)	-	-	(14.296.340)
Other Operating Income	17.740.061	365	-	17.740.426
Other Operating Expenses (-)	(20.067.194)	(175)	-	(20.067.369)
Operating Profit/(Loss)	14.454.581	(71.462)	-	14.383.119
Shares of Investments Evaluated by Equity Method in Profit/(Loss)	261.506	-	-	261.506
Income from Investing Activities	-	-	-	-
Expenses from Investing Activities	118.512	-	-	118.512
Operating Profit/(Loss) Before Financial Expense	14.834.599	(71.462)	-	14.763.137
Financial Income	35.874.860	71.013	(85.323)	35.860.550
Financial Expenses (-)	(47.225.395)	(111.764)	85.323	(47.251.836)
Continuing Operations Profit/(Loss) Before Tax	3.484.064	(112.213)	-	3.371.851
Continuing Operations Tax Income/(Expenses)	(22.771)	(7.667)	-	(30.438)
Net Profit/(Loss) For The Period	3.461.293	(119.880)	-	3.341.413

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June 30, 2015	Wheat and Flour Trade	Licensed Warehouse	Elimination	Total
Revenue	449.266.268	-	-	449.266.268
Cost of Sales (-)	(417.149.450)	-	-	(417.149.450)
Gross Profit/Loss From Commercial Activity	32.116.818	-	-	32.116.818
General Administrative Expenses (-)	(3.241.551)	(3.978)	-	(3.245.529)
Marketing Expenses (-)	(11.630.188)	-	-	(11.630.188)
Other Operating Income	20.707.110	-	-	20.707.110
Other Operating Expenses (-)	(13.301.697)	(3.612)	-	(13.305.309)
Operating Profit/(Loss)	24.650.492	(7.590)	-	24.642.902
Shares of Investments Evaluated by Equity Method in Profit/(Loss)	295.952	-	-	295.952
Income from Investing Activities	-	-	-	-
Expenses from Investing Activities	158.460	-	-	158.460
Operating Profit/(Loss) Before Financial Expense	25.104.904	(7.590)	-	25.097.314
Financial Income	35.152.488	72.430	(51.541)	35.173.377
Financial Expenses (-)	(54.797.505)	-	51.541	(54.745.964)
Continuing Operations Profit/(Loss) Before Tax	5.459.887	64.840	-	5.524.727
Continuing Operations Tax Income/(Expenses)	(3.010.833)	(12.967)	-	(3.023.800)
Net Profit/(Loss) For The Period	2.449.054	51.873	-	2.500.927

June 30, 2016	Wheat and Flour Trade	Licensed Warehouse	Elimination	Total
Total Assets	506.427.848	6.777.758	(6.649.547)	506.556.059
Total Liabilities	336.261.768	1.772.077	(1.649.547)	336.384.298
Equity Holders of The Parent Company	170.166.080	5.005.681	(5.000.000)	170.171.761
Non-Controlling Interests	-	-	-	-

December 31, 2015	Wheat and Flour Trade	Licensed Warehouse	Elimination	Total
Total Assets	502.973.269	3.133.983	(3.000.000)	503.107.252
Total Liabilities	333.330.486	8.427	-	333.338.913
Equity Holders of The Parent Company	169.642.783	3.125.556	(3.000.000)	169.768.339
Non-Controlling Interests	-	-	-	-

June 30, 2016	Wheat and Flour Trade	Licensed Warehouse	Total
Investment Expenditures*	3.693.859	4.417.193	8.111.052
Amortization Charge for Period	1.343.319	17.763	1.361.082

December 31, 2015	Wheat and Flour Trade	Licensed Warehouse	Total
Investment Expenditures*	7.696.683	67.861	7.764.544
Amortization Charge for Period	2.369.356	4.892	2.374.248

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

* Consists of tangible assets, intangible assets and investment properties investments.

6. CASH AND CASH EQUIVALENTS

	June 30, 2016	December 31, 2015
Cash	158.884	151.069
Demand Deposits	11.833.951	14.763.944
Deposit Accounts	136.714.824	27.503.675
POS Accounts	222.365	42.823
Investment and Fund Accounts	1.336.176	2.227.396
	150.266.200	44.688.907

7. FINANCIAL INVESTMENTS

Short Term Financial Investments

	June 30, 2016	December 31, 2015
Bonds	225.174	290.931

Long Term Financial Investments

Available for Sale Financial Assets	%	June 30, 2016	%	December 31, 2015
Samsun Teknolojik Geliştirme Bölgesi Yönetici A.Ş.	0,5	15.000	0,5	15.000
		15.000		15.000
Unpaid Capital Commitments (-)				
Samsun Teknolojik Geliştirme Bölgesi Yönetici A.Ş.		-		-
		-		-
Impairment Provisions (-)				
Samsun Teknolojik Geliştirme Bölgesi Yönetici A.Ş.		-		-
		-		-
		15.000		15.000

8. FINANCIAL BORROWINGS

Short Term Financial Borrowings

	June 30, 2016	December 31, 2015
Short Term Borrowings	26.505.200	74.314.521
Short Term Portions of Long Term Borrowings (net)	4.426.352	13.318.859
	30.931.552	87.633.380

Short Term Borrowings

	June 30, 2016	December 31, 2015
Short Term Loans	26.505.200	74.314.521

Short Term Loans

	June 30, 2016	December 31, 2015
Short Term Loans	26.505.200	74.601.700
Deferred Interest Expenses (-)	-	(287.179)
Short Term Loans (Net)	26.505.200	74.314.521

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Detail of the short term loans (net) as of June 30, 2016 is as follows:

Currency	Interest Rate Corridor	Currency Amount	TL Amount
USA Dollar	%1,27 - %1,58	7.000.000 USD	20.255.200
TL	%6,34 - %6,59	-	6.250.000
			26.505.200

Detail of the short term loans (net) as of December 31, 2015 is as follows:

Currency	Interest Rate	Currency Amount	TL Amount
USA Dollar	%1,27 - %2,50	23.151.231 USD	67.314.521
TL	%6,34 - %6,59	-	7.000.000
			74.314.521

Short Term Portions of Long Term Borrowings

	June 30, 2016	December 31, 2015
Short Term Portions of Long Term Loans (net)	4.241.834	3.581.456
Short Term Portions of Long Term Leasing Payables (net)	184.518	9.737.403
	4.426.352	13.318.859

Short Term Portions Of Long Term Loans

	June 30, 2016	December 31, 2015
Short Term Portions of Long Term Loans	4.338.476	3.621.867
Deferred Interest Expenses (-)	(96.642)	(40.411)
Short Term Portions of Long Term Borrowings (net)	4.241.834	3.581.456

Detail of the short term portions of long term loans as of June 30, 2016 is as follows:

Currency	Interest Rate Corridor	Currency Amount	TL Amount
USA Dollar	-	-	-
Euro	%2,4 - Euribor + %2,5	1.323.753 Euro	4.241.834
TL	-	-	-
			4.241.834

Detail of the short term portions of long term leasing payables (net) as of December 31, 2015 is as follows:

Currency	Interest Rate	Currency Amount	TL Amount
USA Dollar	-	-	-
Euro	Euribor + %3,5	1.127.095 Euro	3.581.456
TL	-	-	-
			3.581.456

Short Term Portions of Long Term Leasing Payables

	June 30, 2016	December 31, 2015
Short Term Portions of Long Term Leasing Payables	222.524	10.525.739
Deferred Interest Expenses (-)	(38.006)	(788.336)
Short Term Portions of Long Term Leasing Payables (net)	184.518	9.737.403

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Detail of the short term portions of long term leasing payables (net) as of June 30, 2016 is as follows:

Currency	Currency Amount	TL Amount
USA Dollar	63.767 USD	184.518
Euro	-	-
TL	-	-
		184.518

Detail of the short term portions of long term leasing payables (net) as of December 31, 2015 is as follows:

Currency	Currency Amount	TL Amount
USA Dollar	43.105 USD	125.332
Euro	-	-
TL	-	9.612.071
		9.737.403

Long Term Financial Borrowings

	June 30, 2016	December 31, 2015
Long Term Loans (net)	3.204.400	-
Long Term Leasing Payables (net)	500.476	651.463
Long Term Leasing Payables (net)	3.704.876	651.463

Long Term Loans

	June 30, 2016	December 31, 2015
Long Term Loans	3.251.720	-
Deferred Interest Expenses (-)	(47.320)	-
Long Term Loans (net)	3.204.400	-

Detail of the long term loans (net) as of June 30, 2016 is as follows:

Currency	Interest Rate Corridor	Currency Amount	TL Amount
USA Dollar	-	-	-
Euro	%2,4	1.000.000 Euro	3.204.400
TL	-	-	-
			3.204.400

Long Term Leasing Payables

	June 30, 2016	December 31, 2015
Long Term Leasing Payables	552.483	719.911
Deferred Interest Expenses (-)	(52.007)	(68.448)
Long Term Leasing Payables (net)	500.476	651.463

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Detail of the long term leasing payables (net) as of June 30, 2016 is as follows:

Currency	Currency Amount	TL Amount
USA Dollar	172.960 USD	500.476
Euro	-	-
TL	-	-
		500.476

Detail of the long term leasing payables (net) as of December 31, 2015 is as follows:

Currency	Currency Amount	TL Amount
USA Dollar	224.055 USD	651.463
Euro	-	-
TL	-	-
		651.463

9. OTHER FINANCIAL LIABILITIES

None.

10. TRADE RECEIVABLES AND PAYABLES

Trade Receivables

	June 30, 2016	December 31, 2015
Trade Receivables from Related Parties	4.467	-
Trade Receivables from Other Parties	178.086.854	156.917.417
Notes Receivable from Related Parties	67.733	9.591.657
Notes Receivable from Other Parties	29.910.784	37.376.804
Deferred Maturity Difference Income (-)	(669.701)	(1.877.050)
Doubtful Trade Receivables	5.147.471	4.840.981
Provision for Doubtful Trade Receivables (-)	(5.147.471)	(4.840.981)
Trade Receivables (net)	207.400.137	202.008.828

Changes in doubtful trade receivables as of June 30, 2016 and December 31, 2015 are as follows:

	June 30, 2016	December 31, 2015
Opening Balance	4.840.981	4.317.305
Provisions for the Period	713.639	760.568
Relinquished Receivables	-	(2.088)
Provisions Cancelled* (-)	(407.149)	(234.804)
Closing Balance	5.147.471	4.840.981

* Consists of collected doubtful trade receivables.

Long Term Trade Receivables

	June 30, 2016	December 31, 2015
Trade Receivables from Related Parties	-	-
Trade Receivables from Other Parties*	8.330.504	7.795.160
Long Term Trade Receivables (net)	8.330.504	7.795.160

*Vide note 24.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Short Term Trade Payables

	June 30, 2016	December 31, 2015
Trade Payables to Related Parties	93.003	894.410
Trade Payables to Other Parties*	284.297.415	222.936.955
Notes Payable to Related Parties	1.318.847	8.408.464
Notes Payable to Other Parties	1.120.223	7.259.414
Deferred Maturity Difference Expense (-)	(1.634.871)	(5.583.611)
Trade Payables (net)	285.194.617	233.915.632

* Trade payables to other parties include 244.941.162 - TL letters of credit as of June 30, 2016 (December 31, 2015: 214.070.889-TL.).

Long Term Trade Payables

None.

11. OTHER RECEIVABLES AND PAYABLES

Other Short Term Receivables

	June 30, 2016	December 31, 2015
Deposits and Guarantees Given	142.028	206.499
Receivables From Public Authority	2.615.982	2.724.807
Other Receivables from Related Parties	144.390	246.000
Other Receivables from Other Parties	-	523.368
Doubtful Other Receivables	510.012	-
Provision for Doubtful Other Receivables (-)	(510.012)	-
	2.902.400	3.700.674

Changes in doubtful other receivables as of June 30, 2016 and December 31, 2015 are as follows:

	June 30, 2016	December 31, 2015
Opening Balance	-	-
Provisions for the Period	510.012	-
Provisions Cancelled (-)	-	-
Closing Balance	510.012	-

Other Long Term Receivables

	June 30, 2016	December 31, 2015
Deposits and Guarantees Given	31.013	26.882

Other Short Term Payables

	June 30, 2016	December 31, 2015
Other Payables to Other Parties	39.900	38.120

Other Long Term Payables

None.

12. RECEIVABLES AND PAYABLES FROM FINANCE SECTOR OPERATIONS

None.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

13. DERIVATIVE INSTRUMENTS

	June 30, 2016	December 31, 2015
Futures Market Collaterals	2.025.599	2.570.536
Derivative Financial Instruments	-	6.298.560
	2.025.599	8.869.096

	June 30, 2016	December 31, 2015
Derivative Instruments Fair Value Differences	4.331.061	-
	4.331.061	-

Collaterals that are given to make transactions in futures market are classified as futures market collaterals where as fair values of forward agreements and options are classified as derivative financial instruments. Profit or losses resulted from the transactions within the period are reported in profit/loss statement as derivative financial instruments gain/loss in financial income/expenses. Also, fair value differences of open positions as of reporting date are reported in financial income.

Fair Value of Financial Instruments

The Group classifies the fair value measurement of each class of financial instruments according to the source using the three level hierarchies as follows:

Level 1 : Valuation methods which uses quoted prices (unadjusted) in active markets for identical assets or liabilities that The Group can access at the measurement date

Level 2 : Valuation methods which include inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : Valuation methods which include inputs that are unobservable inputs for the asset or liability

June 30, 2016	Level 1	Level 2	Level 3
Foreign Exchange Forward Contracts (Held for Trading)	-	(2.305.462)	-
	-	(2.305.462)	-

December 31, 2015	Level 1	Level 2	Level 3
Foreign Exchange Forward Contracts (Held for Trading)	-	8.869.096	-
	-	8.869.096	-

Foreign exchange forward contracts (Level 2) are valued by; discounting foreign exchange forward contracts' fair value to present day and using foreign exchange rate.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

14. INVENTORIES

	June 30, 2016	December 31, 2015
Raw Material and Supplies	19.924.349	39.943.991
Goods	5.984.714	7.289.315
Trade Goods	13.788.244	93.852.096
Goods in transit*	273.098	249.375
Other Inventories	(135.207)	(1.206.113)
	39.835.198	140.128.664

There are not any collateral, pledges and mortgages upon inventories, and they are all insured.

15. BIOLOGICAL ASSETS

None.

16. PREPAID EXPENSES AND DEFERRED INCOME

Short Term Prepaid Expenses

	June 30, 2016	December 31, 2015
Advances Given to Related Parties*	-	2.000.000
Advances Given to Other Parties	16.574.346	25.072.677
Insurance and Other Prepaid Expenses	840.007	491.417
	17.414.353	27.564.094

* Consists of advances given to purchase of real estate.

Long Term Prepaid Expenses

	June 30, 2016	December 31, 2015
Subscription Expenses	-	-
Advances Given to Other Parties*	4.030.806	4.418.420
	4.030.806	4.418.420

*Vide note 24.

Short Term Deferred Income

	June 30, 2016	December 31, 2015
Advances Received from Related Parties	-	-
Advances Received from Other Parties	6.679.624	3.700.134
Deferred Income**	-	260.705
	6.679.624	3.960.839

** Vide note 24.

Long Term Deferred Income

None.

17. RECEIVABLES FROM ONGOING CONSTRUCTION CONTRACTS

None.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

18. INVESTMENTS VALUED BY EQUITY METHOD

Associates	%	June 30, 2016	%	December 31, 2015
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	17	4.286.492	17	4.167.980

17% of the shares of Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş. were purchased by The Company on March 28, 2013.

According to fifth matter of TAS 28 “Investments in Associates”, if an investor holds, directly or indirectly (eg through subsidiaries), 20% or more of the voting power of the investee, it is presumed that the investor has significant influence, unless it can be clearly demonstrated that this is not the case. Conversely, according to sixth matter if the investor holds, directly or indirectly (eg through subsidiaries), less than 20% of the voting power of the investee, it is presumed that the investor does not have significant influence, unless such influence can be clearly demonstrated. The existence of significant influence by an investor is usually evidenced in one or more of the following ways:(a) representation on the board of directors or equivalent governing body of the investee; (b) participation in policy-making processes, including participation in decisions about dividends or other distributions; (c) material transactions between the investor and the investee; (d) interchange of managerial personnel; or (e) provision of essential technical information. According to this, even though The Group has 17% of Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş., it is considered as The Group has significant influence while the conditions in sixth matter are fulfilled.

Associates	Goodwill*	Cost	Acquisition Cost
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	3.910.000	340.000	4.250.000

*According to thirtysecond matter of TAS 28 “Investments in Associates”, an investment in an associate is accounted for using the equity method from the date on which it becomes an associate. Goodwill related to an associate is added to book value of associate investment. According to this, 3.910.000-TL goodwill is included to the book value of associates, other than 340.000-TL associate share related with Sasbaş Samsun Serbest Bölgesi Kurucusu ve İşleticisi A.Ş..

According to equity method, investments in associates are recorded by acquisition cost in the beginning. After acquisition, book value of the investment is increased or decreased in order to recognise the share of the investor in the invested company’s profit/loss. The share which investor will get from invested company’s profit/loss is recognised as investor’s profit/loss.

As of June 30, 2016, 118.512-TL (December 31, 2015: 318.044-TL) share from associates’ profit increases the book value of associates and also is recognised as shares of investments evaluated by equity method in profit/(loss) in consolidated profit or loss statement.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

The detail of the change in Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.'s value for the – June 30, 2016 is as follows:

	January 1- June 30, 2016
Value as of December 31, 2015	4.167.980
The Share from Associate's Profit/Loss as of June 30 ,2016	118.512
Accrued Dividend Yield	-
	4.286.492

According to TFRS 12 “Disclosure of Interests in Other Entities” B12 (a) and (b) matters; disclosure requirements for summarised financial information of Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş. as of June 30,2016 and December 31, 2015 are as follows*:

	June 30, 2016	December 31, 2015
Current Assets	1.023.653	765.566
Non-Current Assets	5.461.092	5.686.990
Short Term Liabilities	119.258	187.052
Long Term Liabilities	278.170	277.612
Revenue	1.929.470	4.100.980
Continuing Profit/(Loss) for the Period	697.131	1.870.845
The Period Profit/(Loss) After Tax for Discontinued Operations	-	-
Other Comprehensive Income	697.131	1.870.845
Total Comprehensive Income	697.131	1.870.845

* According to B15 (b) matter of TFRS 12 “Disclosure of Interests in Other Entities”; financial information is obtained from associate's legal accounting records.

19. INVESTMENT PROPERTIES

Acquisition Cost	Land	Buildings	Total
January 1, 2015 Opening Balance	5.343.150	1.808.565	7.151.715
Additions	-	40.000	40.000
Disposals	-	-	-
Reclassification	-	-	-
June 30, 2015 Closing Balance	5.343.150	1.848.565	7.191.715

Accumulated Depreciation	Land	Buildings	Total
January 1, 2016 Opening Balance	-	57.573	57.573
Charge for the Period	-	-	-
Disposals	-	-	-
Reclassification	-	-	-
June 30, 2016 Closing Balance	-	57.573	57.573

Net Book Value (As of June 30, 2016)	5.343.150	1.790.992	7.134.142
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ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Acquisition Cost	Land	Buildings	Total
January 1, 2015 Opening Balance	-	-	-
Additions	-	-	-
Disposals	-	-	-
Reclassification	5.343.150	1.808.565	7.151.715
December 31, 2015 Closing Balance	5.343.150	1.808.565	7.151.715

Accumulated Depreciation	Land	Buildings	Total
January 1, 2015 Opening Balance	-	-	-
Additions	-	-	-
Disposals	-	-	-
Reclassification	-	57.573	57.573
December 31, 2015 Closing Balance	-	57.573	57.573

Net Book Value (As of December 31, 2015)	5.343.150	1.750.992	7.094.142
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As of December 31, 2015 gross reclassification to the amount of 7.151.715-TL, consists of land and buildings whose usage purpose has changed and reclassified as investment properties

According to IAS 40 Investment Property, 61st matter, if an owner-occupied property becomes an investment property that will be carried at fair value, The Group shall apply IAS 16 up to the date of change in use. Because the relevant properties have previously revaluated by the Group, the properties were recognised as investment properties by their fair values. After January 1, 2015 (The date of change in use) The Group does not depreciate these properties according to relevant standards' 62nd mater. The revaluation surplus related with investment properties are being reported in equity. As of June 30, 2016 and December 31, 2015, the net revaluation surplus related with investment properties is 4.214.592-TL.

Construction plan/expropriation work information and lien inspection related with the investment properties (land and buildings) of The Group as of June 30, 2016 are as follows:

SQUARE 511; PARCEL NO 1 and PARCEL NO 10

Construction Plan/Expropriation Work Information

Square 511; parcel no 1 and 10, are in the Industrial Area.

Liens related with square 511; parcel no 1 are as follows:

6, 47 m2 of this parcel rapes the road and 24,68m² rapes square 511 parcel no 7.
In a part of 360,34m2 there is easement in favour of M. TEK General Management.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Liens related with square 511; parcel no 10 are as follows:

Square 511, parcel no 7 has a breach of 480, 53 m2 on this parcel. This parcel has a breach of 35, 70 m2 on square 511, parcel no 7.

20. CORPORATE TAX ASSETS

	June 30, 2016	December 31, 2015
Prepaid Taxes and Funds	1.006.604	15.987

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016***(Amounts expressed in TL, unless otherwise is stated.)***21. TANGIBLE ASSETS**

Detail of the tangible assets as of June 30, 2016 is as follows:

Acquisition Cost	Plant Machinery And Equipment	Underground and Overland Plants	Land	Buildings	Furniture And Fixtures	Vehicles	Leasehold Improvements	Constructions In Progress	Total
January 1, 2016 Opening Balance	20.492.750	290.203	7.627.198	17.043.413	1.401.113	6.140.300	467.566	1.773.548	55.236.091
Additions	3.461.831	-	1.428.000	-	120.146	207.992	-	2.853.083	8.071.052
Disposals	-	-	-	-	-	(39.021)	-	-	(39.021)
Reclassification	-	-	-	-	-	-	-	-	-
June 30, 2016 Closing Balance	23.954.581	290.203	9.055.198	17.043.413	1.521.259	6.309.271	467.566	4.626.631	63.268.122

Accumulated Depreciation	Plant Machinery and Equipment	Underground and Overland Plants	Land	Buildings	Furniture And Fixtures	Vehicles	Leasehold Improvements	Constructions In Progress	Total
January 1, 2016 Opening Balance	5.763.125	48.689	-	403.342	700.803	2.090.692	85.214	-	9.091.865
Additions	455.238	3.531	-	269.808	96.149	453.169	40.108	-	1.318.003
Disposals	-	-	-	-	-	(12.666)	-	-	(12.666)
Reclassification	-	-	-	-	-	-	-	-	-
June 30, 2016 Closing Balance	6.218.363	52.220	-	673.150	796.952	2.531.195	125.322	-	10.397.202

Net Book Value (As of June 30, 2016)	17.736.218	237.983	9.055.198	16.370.263	724.307	3.778.076	342.244	4.626.631	52.870.920
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ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Detail of the tangible assets as of December 31, 2015 is as follows:

Acquisition Cost	Plant Machinery and Equipment	Underground and Overland Plants	Land	Buildings	Furniture and Fixtures	Vehicles	Leasehold Improvements	Constructions In Progress	Total
January 1, 2015 Opening Balance	17.245.811	216.221	14.336.515	17.115.876	915.306	4.750.663	383.467	722.004	55.685.863
Additions	2.835.826	-	7.357.704	16.657.296	485.807	1.875.994	84.099	1.974.380	31.271.106
Disposals	(51.624)	-	(8.723.871)	(15.307.311)	-	(486.357)	-	-	(24.569.163)
Reclassification	462.737	73.982	(5.343.150)	(1.422.448)	-	-	-	(922.836)	(7.151.715)
December 31, 2015 Closing Balance	20.492.750	290.203	7.627.198	17.043.413	1.401.113	6.140.300	467.566	1.773.548	55.236.091

Accumulated Depreciation	Plant Machinery and Equipment	Underground and Overland Plants	Land	Buildings	Furniture and Fixtures	Vehicles	Leasehold Improvements	Constructions In Progress	Total
January 1, 2015 Opening Balance	5.030.288	43.452	-	1.046.799	544.689	1.487.523	8.414	-	8.161.165
Charge for the Period	772.381	5.237	-	502.605	156.114	820.858	76.800	-	2.333.995
Disposals	(39.544)	-	-	(1.088.489)	-	(217.689)	-	-	(1.345.722)
Reclassification	-	-	-	(57.573)	-	-	-	-	(57.573)
December 31, 2015 Closing Balance	5.763.125	48.689	-	403.342	700.803	2.090.692	85.214	-	9.091.865

Net Book Value (As of December 31, 2015)	14.729.625	241.514	7.627.198	16.640.071	700.310	4.049.608	382.352	1.773.548	46.144.226
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ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

The Group has signed a Sell and Leaseback Contract with Deniz Finansal Kiralama A.Ş. on March 31, 2015. The Group has sold 14.218.822-TL (Net book value) of buildings and 8.723.871-TL of land (Net book value) to 24.000.000-TL and leased back with financial leasing contract. Whole additions to lands and 16.642.296-TL of additions to buildings are tangible assets that are acquired by sell and leaseback contract. Because the contract is a financial leasing contract these land and buildings are included in assets. Whole disposals of relevant tangible assets (land and buildings) consist of cost and accumulated depreciation disposals in scope of sell and leaseback transaction. As of December 31, 2015, gross 21.136.079-TL disposals from revaluation surplus are belonging to land and buildings that were sold regarding to sell and leaseback contract.

As of December 31, 2015, gross 7.151.715-TL reclassification consists of land and buildings that are reclassified as investment property because the change in use.

1.057.307-TL profit has occurred from tangible asset sales regarding sell and leaseback contract of The Group. According to IAS 17 Leases, 60th matter, if the leaseback is a finance lease, it is not appropriate to regard an excess of sales proceeds over the carrying amount as income immediately by the seller leaser. In case referred excess is deferred and amortised over the lease term. Therefore 260.705-TL tangible asset sale profit is recognised in current period profit or loss. 796.602-TL tangible asset sale profit is recognised in deferred income. This profit is amortized throughout the duration of financial leasing contract (1 year) and recognised in profit or loss.

Construction plan/expropriation work information and lien inspection related with the real estates (land and buildings) of The Group as of June 30, 2016 are as follows:

SQUARE 349; PARCEL NO 17

Construction Plan/Expropriation Work Info

Square 349, parcel no 17 is in the Industrial Area due to construction plan.

SQUARE 496; PARCEL NO 6 , SQUARE 499; PARCEL NO 6, PARCEL NO 14, PARCEL NO 15, PARCEL NO 16, PARCEL NO 17, PARCEL NO 18, PARCEL NO 19, PARCEL NO 20, PARCEL NO 22, PARCEL NO 27

Construction Plan/Expropriation Work Information

Square 496; parcel no 6 is in Housing Area.

Square 499; parcel no 3 is in Non-residential Urban Work Area

Square 499; parcel no 14, 15, 16, 17, 18, 19, 20, 22 and 27 are in Housing Area.

SQUARE 681; PARCEL NO 33 AND 37

Square 681, parcel no 33 and 37 are in the Park and Inappropriate Geologic Area.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Square 681, parcel no 33 and 37 are completely in Park and Inappropriate Geologic Area. Therefore it is estimated that they will be expropriated as a result of bringing Expropriation Law numbered 2942 in to action.

22. INTANGIBLE ASSETS

Goodwill

None.

Other Intangible Assets

Detail of the intangible assets as of June 30, 2016 is as follows:

Acquisition Cost	Rights (Computer Programs)	Trademark and Royalty	Total
January 1, 2016 Opening Balance	364.131	264.974	629.105
Additions	-	-	-
Disposals	-	-	-
Reclassification	-	-	-
June 30, 2016 Closing Balance	364.131	264.974	629.105

Accumulated Depreciation	Rights (Computer Programs)	Trademark and Royalty	Total
January 1, 2016 Opening Balance	123.536	2.250	125.786
Additions	29.867	13.212	43.079
Disposals	-	-	-
Reclassification	-	-	-
June 30, 2016 Closing Balance	153.403	15.462	168.865

Net Book Value (As of June 30, 2016)	210.728	249.512	460.240
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ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Detail of the intangible assets as of December 31, 2015 is as follows:

	Rights (Computer Programs)	Trademark and Royalty	Total
Acquisition Cost			
January 1, 2015 Opening Balance	135.667	-	135.667
Additions	228.464	264.974	493.438
Disposals	-	-	-
Reclassification	-	-	-
December 31, 2015 Closing Balance	364.131	264.974	629.105

	Rights (Computer Programs)	Trademark and Royalty	Total
Accumulated Depreciation			
January 1, 2015 Opening Balance	85.533	-	85.533
Charge for the Period	38.003	2.250	40.253
Disposals	-	-	-
Reclassification	-	-	-
December 31, 2015 Closing Balance	123.536	2.250	125.786

Net Book Value (As of December 31, 2015)	240.595	262.724	503.319
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23. GOVERNMENT GRANTS AND INCENTIVES

Government grants consist of Social Security Institution Premium Fund due to law numbered 5510 and fair incentives.

24. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Short Term Provisions

	June 30, 2016	December 31, 2015
Provisions for Lawsuits	-	39.231
Short Term Provisions for Employee Benefits*	145.554	-
	145.554	39.231

*Vide note 26.

Long Term Provisions

	June 30, 2016	December 31, 2015
Long Term Provisions for Employee Benefits*	879.865	719.701
Other Long Term Provisions	-	-
	879.865	719.701

*Vide note 26.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Lawsuits

The Company's service lawsuit in Çorlu Labour Court has resulted. Decision was appealed but was approved by Supreme Court and finalized. 39.231-TL was paid related with the lawsuit in 2016. There is not any provision for lawsuits because there is not any possible cash outflow from The Group's liabilities as a result of previous events as of reporting date.

Collaterals, Pledges and Mortgages ("CPM") Given by The Group

	June 30, 2016*	December 31, 2015*
A. Total Amount of CPM Given by The Group's Own Legal Personality	20.773.912	20.175.392
B. Total Amount of CPM Given In Favour of Fully Consolidated Companies	-	-
C. Total Amount of CPM Given For Continuation of Its Economic Activities on Behalf of Third Parties	-	-
D. Total Amount of Other CPM	-	-
i. Total Amount of CPM Given in Favour of Majority Shareholder	-	-
ii. Total Amount of CPM Is Given in Favour of Other Group Companies Which Are Not In the Scope of B and C	-	-
iii. Total Amount of CPM is Given in Favour of Third Parties Which Are Not In the Scope of C	-	-
Total	20.773.912	20.175.392

* There is not any mortgage upon The Group's fixed assets.

The details of receivables from Samsun Yem Sanayi ve Ticaret A.Ş. ("Samsun Yem"), Yemsel Tavukçuluk Hayvancılık Yem Hammaddeleri Sanayi ve Ticaret A.Ş. ("Yemsel") and Çakıroğlu Gıda Tarım Ürünleri Hayvancılık ve Yem Tavukçuluk Nakliyat Ticaret ve Sanayi A.Ş. ("Çakıroğlu") as of June 30, 2016 are as follows:

Company Title**	Trade Receivable	Advances Given	Total	Mortgage Amount
Samsun Yem	260.510	1.091.895	1.352.405	700.000
Yemsel	399.059	2.938.911	3.337.970	6.000.000
Çakıroğlu	7.670.935	-	7.670.935	10.000.000
Total	8.330.504	4.030.806	12.361.310	16.700.000

**All together will be referred as the "Çakıroğlu Group".

Samsun Yem, Yemsel ve Çakıroğlu has requested the postponement of bankruptcy on T.C. Samsun Commercial Court. According to the interlocutory decision given by the court, the prosecution will continue on April 6, 2016 and trustees have been appointed on administration. The decision of T.C. Samsun Commercial Court was issued on December 8, 2015 dated Trade Registry Gazette.

The Company has mortgaged Samsun Yem, Yemsel And Çakıroğlu's real estates for the receivables that are explained in details above. The hypothec that The Company has issued gives The Company right to demand whole receivables from any real estate of Çakıroğlu Group that have been mortgaged.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

The Company is in the first place for the mortgage from Çakıroğlu and Samsun Yem. The Company is in the second place for the mortgages issued on Yemsel's real estate. Akbank T.A.Ş. is in the first place. Akbank T.A.Ş.'s total mortgage amount is 6.000.000-TL.

Real estate revaluation report has been prepared by Standart Gayrimenkul Değerleme Uygulamaları A.Ş. on June 28, 2013 for these real estates. According to revaluation reports, fair value of the mortgaged real estates is 18.867.692-TL.

As of January 08, 2016 a notice has been sent to Çakıroğlu Group for the payment of their debts. Trade receivables and advances given to Samsun Yem, Yemsel ve Çakıroğlu are classified as long term because postponement of bankruptcy request.

The Company did not recognised provision because the mortgages issued and fair value of real estates on the revaluation reports can meet total receivable amount.

25. COMMITMENTS

None.

26. EMPLOYEE BENEFITS

Payables Related with Employee Benefits

Details of payables related with employee benefits as of June 30, 2016 and December 31, 2015 are:

	June 30, 2016	December 31, 2015
Social Security Institution Premiums	180.767	346.005
Due to Personnel	453.672	407.908
	634.439	753.913

Short Term Employee Benefits

Short term employee benefits are consisting of provision for unused vacation.

Details of short term employee benefits as of June 30, 2016 and December 31, 2015 are as follows:

	June 30, 2016	December 31, 2015
Provision for Unused Vacation	145.554	-

Long Term Employee Benefits

Long term employee benefits consist of provision for employee termination benefits.

According to Turkish Laws, employer has to pay employee termination benefit to employee who has worked at least a year in local firms, and whose employment is terminated without a legitimate reason, who is called for military obligation, who dies, who works for 25 years for males, 20 years for females, or who is 60-year-old male and 58-year-old female (retirement age).

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

As of June 30, 2016 provision for employee termination benefit ceiling on the respective reporting dates, is subject to a maximum of 4.092,53-TL per month for a working year (December 31, 2015: 3.828,37-TL). Provision for employee termination benefits are not subordinated any fund.

Provision for employee termination benefits is calculated by discounting potential liabilities of retirement to net present value. TFRS requires companies to improve actuarial valuation methods in the scope of retirement plans in order to estimate the termination benefits. Therefore, below mentioned actuarial estimations are used in order to calculate total employee termination benefits. Provisions for employee termination is calculated by the discount rate of 2, 53%, which is determined by 8, 19% inflation rate and 10, 93% interest rate. The release rate is 96% (December 31, 2015: inflation rate 8,19% , interest rate 10,93% and discount rate 2,53% , release rate 96%).

Details of the provision for employee termination benefits as of June 30, 2015 and December 31, 2015 are as follows:

	June 30, 2016	December 31, 2015
Provision for Employee Termination Benefits	879.865	719.701

Details of provision for employee termination benefits are as follows:

	June 30, 2016	December 31, 2015
Opening Balance	719.701	607.917
Interest Cost	18.784	59.055
Service Cost	119.994	98.931
Payments (-)	(43.579)	(337.571)
Actuarial Differences	64.965	291.369
Closing Balance	879.865	719.701

Changes in interest rates and other rates and severance of personnel who are supposed to get compensation at retirement cause actuarial differences. The Group classifies service cost in general administrative expenses, interest costs in financial expenses, actuarial differences in shareholders' equity.

27. RETIREMENT BENEFITS

None.

28. OTHER ASSETS AND OTHER LIABILITIES

Other Current Assets

	June 30, 2016	December 31, 2015
Deferred VAT	6.102.675	3.208.999
Business Advances	-	362
	6.102.675	3.209.361

Other Short Term Liabilities

	June 30, 2016	December 31, 2015
Taxes and Funds Payables	679.841	172.408

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Other Non-Current Assets

None.

Other Long Term Liabilities

None.

29. EQUITY

Capital and Reserves

In the meeting dated November 7, 2014 and numbered 32/1095, CMB has allowed The Company to public offer on November 12-13-14, 2014 by book building (demand gathering) method. Total of 23.500.000 TL nominal value shares, which were offered to public by capital increase and sales of shareholders, were sold. 27, 81% of The Company shares have been traded in Borsa İstanbul since November 20, 2014. The issued capital of The Company is 84.500.000 TL (Eightyfourmillion and fivehundredthousand Turkish Lira). This capital consists of 9.750.000 Group A shares, 6.500.000 Group B shares and 68.250.000 Group C shares and each worth 1,00TL that makes a total of 84.500.000 TL. Group A and B shares are registered to the name and Group C shares which are traded in Borsa Istanbul are registered to the bearer, other Group C shares are registered to the name. Group A shares have privilege to vote in the election of Board of Directors, Group A and B shares have privilege to vote in General Assembly and not considering independent members, in case the Board of Directors consist of five members, at least two members, in case it consists of six or seven members, at least three members, in case it consists of eight or nine members, at least four members, in case it consists of ten or eleven members, at least five members must be chosen among the candidates who are nominated by the majority of Group A shareholders. Group A shareholders or representatives have 15 votes, Group B shareholders or representatives have 10 votes, Group C shareholders or representatives have 1 vote for each share in the ordinary or extraordinary General Assembly.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Shareholder structure of The Company as of June 30, 2016 is as follows:

Shareholder	Number of Shares	Group	Rate (%)	Amount
Fahrettin Ulusoy	4.550.000	A	5,38	4.550.000
	1.950.000	B	2,31	1.950.000
	23.873.882	C	28,25	23.873.882
	30.373.882		35,94	30.373.882
Nevin Ulusoy	650.000	A	0,77	650.000
	1.300.000	B	1,54	1.300.000
	5.830.756	C	6,90	5.830.756
	7.780.756		9,21	7.780.756
Onur Erhan Ulusoy	650.000	A	0,77	650.000
	1.950.000	B	2,31	1.950.000
	7.423.684	C	8,78	7.423.684
	10.023.684		11,86	10.023.684
Eren Günhan Ulusoy	3.900.000	A	4,62	3.900.000
	1.300.000	B	1,54	1.300.000
	7.499.375	C	8,88	7.499.375
	12.699.375		15,04	12.699.375
Kamil Adem	26.941	C	0,03	26.941
	26.941		0,03	26.941
Mithat Denizcigil	95.362	C	0,11	95.362
	95.362		0,11	95.362
Public Shares	23.500.000	C	27,81	23.500.000
	84.500.000		100,00	84.500.000

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Shareholder structure of The Company as of December 31, 2015 is as follows:

Shareholders	Number of Shares	Group	Rate (%)	Amount
Fahrettin Ulusoy	4.550.000	A	5,38	4.550.000
	1.950.000	B	2,31	1.950.000
	23.873.882	C	28,25	23.873.882
	30.373.882		35,94	30.373.882
Nevin Ulusoy	650.000	A	0,77	650.000
	1.300.000	B	1,54	1.300.000
	5.830.756	C	6,90	5.830.756
	7.780.756		9,21	7.780.756
Onur Erhan Ulusoy	650.000	A	0,77	650.000
	1.950.000	B	2,31	1.950.000
	7.423.684	C	8,78	7.423.684
	10.023.684		11,86	10.023.684
Eren Günhan Ulusoy	3.900.000	A	4,62	3.900.000
	1.300.000	B	1,54	1.300.000
	7.499.375	C	8,88	7.499.375
	12.699.375		15,04	12.699.375
Kamil Adem	26.941	C	0,03	26.941
	26.941		0,03	26.941
Mithat Denizcigil	95.362	C	0,11	95.362
	95.362		0,11	95.362
Public Shares	23.500.000	C	27,81	23.500.000
	84.500.000		100,00	84.500.000

According to Turkish Commercial Code, there are two types of legal reserves; primary reserves and secondary reserves. Primary reserves are set up as 5% of the net profit until it reaches 20% of The Company's paid-in-capital due to Turkish Commercial Code. Secondary legal reserves are set up as 1/11 proportion of distribution of dividends by cash which is more than 5% of The Company's capital according to CMB's regulation, and 1/10 proportion of distribution of dividends by cash which is more than 5% of The Company's capital according to official records.

Publicly traded companies distribute dividends according to the II-19.1 numbered Dividend Communique of CMB which is published in January 23, 2014 dated and 28891 numbered Official Gazette.

Companies distribute dividends by a decree of their general assembly in the scope of the determined policy of their general assembly and due to the related regulations. According to the mentioned communique of CMB, minimum distribution ratio has not been determined. Companies distribute dividends according to their articles of association or their dividend policy. Also dividends can be paid by equal or different amounted instalments and dividend advances can be paid by cash due to the profit in interim financial statements.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

In case the contingency reserves are not allocated according to Turkish Trade Regulation and profit is not distributed as mentioned in the dividend policy or articles of association; it is not allowed to allocate another contingency reserve to transfer profit to the following year and to distribute dividends to beneficial owners, board members, employees and people other than shareholders, and also dividends cannot be paid to these people unless dividends are not paid to the shareholders by cash.

Share Premiums on Capital Stock

	June 30, 2016	December 31, 2015
Share Premiums on Capital Stock	41.925.000	41.925.000
Expenses of Share Premiums on Capital Stock Expenses (-)	(3.317.008)	(3.317.008)
	38.607.992	38.607.992

According to thirteenth matter of TAS 32 "Financial Instruments", The Group bears some expenses while issuing or repurchasing equity instruments. These expenses may contain registration and other regulatory charges, legal, financial and other professional consulting fees, printing costs and stamp tax duties. Transaction costs of equity transactions are recognised as deduction from equity as long as they are directly incurred additional costs as a result of these transactions. Additionally, costs related with cancelled equity transactions are recognised as expenses.

Additional expenses, related with the issuance of new share certificates directly (indirectly), are deducted from equity after related taxes are deducted from these expenses. Expenses related with the permission for trading in stock market (quotation) or expenses that are not directly related with the issuance of new stocks are recognised as expenses in profit and loss statement. Expenses related with the permission for either flotation in stock market or quotations are allocated due to the proportion of shares that are offered between two transactions.

Other Equity Items

Other accumulated comprehensive income and expenses which are not classified in profit/loss as of June 30, 2016 and December 31, 2015 are as follows:

	June 30, 2016	December 31, 2015
Tangible Assets Revaluation Differences(net)**	4.780.452	4.780.452
Actuarial Profit/Loss Related with the Employee Benefits*	(332.467)	(280.495)
	4.447.985	4.499.957

*Actuarial differences have been recognised in equity since January 1, 2013.

**If a revaluated tangible asset is disposed of, the revaluation surplus related with the derecognised asset is directly transferred to related earnings. Therefore the revaluation surplus related with land and buildings which have been disposed of by sell and leaseback transaction, were transferred to retained earnings.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Details of the actuarial differences as of June 30, 2016 and December 31, 2015 are as follows:

	June 30, 2016	December 31, 2015
Actuarial Gains/(Losses) Related with the Employee Benefits	(415.584)	(350.619)
Deferred Tax***	83.117	70.124
Actuarial Gains/(Losses) Related to Employee Benefits (net)	(332.467)	(280.495)

Details of tangible assets revaluation surplus as of June 30, 2015 and December 31, 2015 are as follows:

	June 30, 2016	December 31, 2015
Revaluation Differences of Buildings and Lands (net)	4.414.987	4.414.987
Revaluation Differences of Vehicles (net)	365.465	365.465
	4.780.452	4.780.452

Detail of the revaluation differences of lands and buildings as of June 30, 2016 and December 31, 2015 is as follows:

	June 30, 2016	December 31, 2015
Total Lands and Buildings Revaluation Difference	5.518.734	5.518.734
Deferred Tax ***	(1.103.747)	(1.103.747)
Revaluation Differences of Buildings and Lands (net)	4.414.987	4.414.987

Details of the vehicles revaluation surplus as of June 30, 2016 and December 31, 2015 are as follows:

	June 30, 2016	December 31, 2015
Vehicles Revaluation Differences (net)	365.465	365.465

	June 30, 2016	December 31, 2015
Total Vehicle Revaluation Differences **	456.831	456.831
Deferred Tax ***	(91.366)	(91.366)
	365.465	365.465

***According to TAS 12, 61-a, current tax and deferred tax related with the items which are not recognised in profit or loss, are not recognised in profit or loss both in the same or different period. Therefore, current tax and deferred tax that are related with the items that are recognised in the same or different period in other comprehensive income shall be recognised in other comprehensive income. Realised deferred tax is classified in revaluation surplus.

Restricted reserves as of June 30, 2016 and December 31, 2015 are as follows:

	June 30, 2016	December 31, 2015
Legal Reserves	3.330.315	2.120.395

Accumulated profit or loss as of June 30, 2016 and December 31, 2015 is as follows:

	June 30, 2016	December 31, 2015
Accumulated Profit/(Loss)	35.944.056	31.736.786

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Detail of Accumulated Profit/ (Loss) is as follows:

	June 30, 2016	December 31, 2015
Accumulated Profit/(Loss)	31.736.786	2.474.682
Transfer of Previous Year to the Accumulated Profit/(Loss)	8.303.209	14.189.389
Capital Contribution	-	-
Transfers to Legal Reserves	(1.209.920)	(720.026)
Dividends Paid	(2.886.019)	(5.436.193)
Tangible Assets Revaluation Transfer**	-	21.228.934
	35.944.056	31.736.786

**If a revaluated tangible asset is disposed of, the revaluation surplus related with the derecognised asset is directly transferred to related earnings. Therefore the revaluation surplus related with land and buildings which have been disposed of by sell and leaseback transaction were transferred to retained earnings.

Net profit/ (loss) for the period as of June 30, 2016 and December 31, 2015 are as follow:

	June 30, 2016	December 31, 2015
Net Profit/(Loss) For The Period	3.341.413	8.303.209

30. REVENUE AND COST OF SALES

Details of revenue as of June 30, 2016 and June 30, 2015 are as follows:

	January 1 - June 30, 2016	April 1- June 30, 2016	January 1- June 30, 2015	April 1- June 30, 2015
Domestic Sales	316.365.652	136.551.140	340.566.420	211.618.136
Foreign Sales	197.565.049	116.727.941	109.092.822	48.710.984
Sales Returns (-)	(3.089.145)	(2.101.915)	(283.790)	(128.963)
Sales Discounts (-)	(109.899)	(82.016)	(109.184)	(66.477)
	510.731.657	251.095.150	449.266.268	260.133.680

Details of cost of sales as of June 30, 2016 and June 30, 2015 are as follows:

	January 1 - June 30, 2016	April 1- June 30, 2016	January 1- June 30, 2015	April 1- June 30, 2015
Cost of Goods Sold	137.760.991	76.484.236	99.788.437	54.800.966
Cost of Merchandise Sold	338.711.239	170.604.850	317.361.013	189.743.401
	476.472.230	247.089.086	417.149.450	244.544.367

31. GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES

Details of total operating expenses as of June 30, 2016 and June 30, 2015 are as follows:

	January 1- June 30, 2016	April 1- June 30, 2016	January 1- June 30, 2015	April 1- June 30, 2015
General Administrative Expenses	3.253.025	1.741.815	3.245.529	1.753.610
Marketing Expenses	14.296.340	7.205.761	11.630.188	6.400.596
Research and Development Expenses	-	-	-	-
	17.549.365	8.947.576	14.875.717	8.154.206

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Details of General Administrative Expenses as of June 30, 2016 and June 30, 2015 are as follows:

	January 1- June 30, 2016	April 1- June 30, 2016	January 1- June 30, 2015	April 1- June 30, 2015
Depreciation Expenses	155.854	85.598	118.512	67.883
Vehicle Expenses	5.309	5.309	101.608	49.296
Grants and Aids	104.132	54.632	60.198	31.020
Maintenance and Repair Expenses	-	-	39.218	30.147
Bank Transfer and Collection Expenses	52.344	28.314	-	-
Consultancy Expenses	1.483	1.483	178.360	110.580
Outsourced Benefits and Services	1.016.601	495.203	449.631	222.165
Other Expenses	130.348	75.819	123.216	66.846
Education and Publication Expenses	66.655	34.112	27.448	16.315
Exposition Expenses	-	-	10.535	-
Late Fees and Charges	9.044	1.876	9.781	7.770
Heat and Water Expenses	-	-	12.493	2.440
Rent Expenses	107.011	52.610	139.183	67.757
Commission Expenses	237	47	22.242	8.992
Accommodation Expenses	70.546	29.435	-	-
Court Expenses	-	-	9.184	8.421
Brand, Apl. and Ren. of Patent Expenses	5.527	5.527	11.053	5.423
Accommodation Expenses	14.348	14.348	-	-
Notary Expenses	8.560	6.351	24.213	16.261
Personnel Expenses	1.266.404	703.222	1.480.044	782.703
Advertising Expenses	6.970	2.820	6.866	6.691
Health Expenses	-	-	7.264	4.306
Insurance Expenses	70.754	37.032	100.338	47.722
Registration and Announcement Expenses	10.058	1.367	3.338	1.639
Transportation Expenses	47.517	23.155	92.783	33.983
Taxes and Funds	103.323	83.555	189.611	152.455
Food Expenses	-	-	28.410	12.795
General Administrative Expenses	3.253.025	1.741.815	3.245.529	1.753.610

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Details of Marketing Expenses as of June 30, 2016 and June 30, 2015 are as follows:

	January 1- June 30, 2016	April 1- June 30, 2016	January 1- June 30, 2015	April 1- June 30, 2015
Depreciation Expenses	446.709	227.796	389.540	193.617
Vehicle Expenses	348.648	200.667	826.800	422.544
Bank Transfer and Collection Expenses	181.877	107.573	-	-
Consultancy Expenses	7.213	4.430	7.969	300
Outsourced Benefits and Services	273.255	143.263	263.329	142.762
Other Expenses	18.956	16.629	31.013	3.867
Exposition Expenses	-	-	38.814	-
Late Fees and Charges	10.040	5.353	12.894	8.443
Customs Brokerage Expenses	-	-	35.735	35.735
Export Expenses	846.613	443.163	1.086.422	569.661
Rent Expenses	1.418.020	415.353	427.939	265.916
Commissions Expenses	297.214	118.449	101.651	58.985
Accommodation Expenses	138.920	64.433	-	-
Freight Expenses	8.850.319	4.694.202	7.152.752	4.042.315
Personnel Expenses	895.969	446.938	909.661	446.056
Advertising Expenses	12.280	1.833	-	-
Insurance Expenses	307.554	218.547	136.096	96.352
Transportation Expenses	42.156	24.209	12.849	3.546
Taxes and Funds	75.533	14.025	118.115	70.374
Food Expenses	125.064	58.898	78.609	40.123
Marketing Expenses	14.296.340	7.205.761	11.630.188	6.400.596

Nature of expenses for the period January 1, 2016 – June 30, 2016 is as follows:

	General Administrative Expenses	Marketing Expenses	Research and Development Expenses	Cost of Sales
Personnel Expenses	1.266.404	895.969	-	2.046.831
Depreciation Expenses	155.854	446.709	-	758.519

Nature of expenses for the period April 1, 2016 - June 30, 2016 is as follows:

	General Administrative Expenses	Marketing Expenses	Research and Development Expenses	Cost of Sales
Personnel Expenses	703.222	446.938	-	1.045.979
Depreciation Expenses	85.598	227.796	-	387.717

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Nature of expenses for the period January 1, 2015 – June 30, 2015 is as follows:

	General Administrative Expenses	Marketing Expenses	Research and Development Expenses	Cost of Sales
Personnel Expenses	1.480.044	909.661	-	1.812.624
Depreciation Expenses	118.512	389.540	-	598.738

Nature of expenses for the period April 1, 2015 - June 30, 2015 is as follows:

	General Administrative Expenses	Marketing Expenses	Research and Development Expenses	Cost of Sales
Personnel Expenses	782.703	446.056	-	895.669
Depreciation Expenses	67.883	193.617	-	310.374

32. OTHER INCOME AND OTHER EXPENSES**Other Income**

	January 1- June 30, 2016	April 1- June 30, 2016	January 1- June 30, 2015	April 1- June 30, 2015
Income Due to the Law No 5510	208.376	109.570	146.161	72.786
Allocated Balance Income	68.320	47.412	18.252	16.402
Other Income	162.632	123.541	89.847	66.079
Service Reflection Income*	893.096	521.501	1.355.674	573.874
Maturity Difference Income	5.418.217	1.199.171	6.438.059	3.331.136
Foreign Currency Gains	282.889	-	-	-
Indemnity Expenses	166.596	41.270	-	-
Exchanges Difference Expenses	9.107.857	6.762.000	12.312.039	3.709.098
Insurance Income	-	-	76.224	64.405
Provisions No Longer Required	407.149	120.862	135.172	18.712
Income from Returned Expenses	1.025.294	419.625	135.682	37.984
	17.740.426	9.344.952	20.707.110	7.890.476

Service reflection income consists of reflection revenues of trust expenses and, reflection revenues of service expenses.

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Other Expenses

	January 1- June 30, 2016	April 1- June 30, 2016	January 1- June 30, 2015	April 1- June 30, 2015
Trust Expenses**	977.771	568.514	668.075	315.498
Other Expenses	15.921	(15.445)	38.082	9.294
Balance Dedication Expenses	15.110	7.124	12.508	12.256
Price Difference Expenses	541.780	170.135	-	-
Provision Expenses***	1.223.651	(127.473)	522.661	201.116
Exchange Difference Expenses	9.752.075	4.517.635	3.828.959	1.186.450
Maturity Difference Expenses	6.737.583	(6.964.259)	8.039.698	3.060.140
Returned Expenses	803.478	191.764	112.185	34.784
Reflected Service Income	-	-	68.657	818
Insurance Expenses	-	-	14.484	2.665
	20.067.369	(1.652.005)	13.305.309	4.823.021

** Consists of freight, evacuation, stocking, customs and export expenses.

Income from Investing Activities

	January 1- June 30, 2016	April 1- June 30, 2016	January 1- June 30, 2016	April 1- June 30, 2015
Sales of Fixed Assets	801	566	32.350	25.320
Sell And Leaseback Transaction Income	260.705	-	263.602	263.602
	261.506	566	295.952	288.922

Expenses from Investing Activities

None.

33. SHARES OF INVESTMENTS EVALUATED BY EQUITY METHOD IN PROFIT/LOSS

Details of profit/loss shares of investments evaluated by equity method as of June 30, 2016 and June 30, 2015 are as follows:

	January 1- June 30, 2016	April 1- June 30, 2016	January 1- June 30, 2015	April 1- June 30, 2015
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.*	118.512	12.767	158.460	49.177

*(Vide note 18)

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34. FINANCIAL INCOME AND EXPENSES

Financial Income

	January 1- June 30, 2016	April 1- June 30, 2016	January 1- June 30, 2015	April 1- June 30, 2015
Interest Income	3.488.363	2.432.360	1.413.078	628.405
Foreign currency gains	29.530.861	16.306.091	15.670.087	7.193.649
Security Sales Income	148.958	14.581	118.307	57.061
Derivative Financial Instruments Expenses	2.692.368	1.176.439	4.737.278	3.745.331
Derivative Financial Instruments Fair Value Difference	-	-	13.234.627	439.288
	35.860.550	19.929.471	35.173.377	12.063.734

Financial Expenses

	January 1- June 30, 2016	April 1- June 30, 2016	January 1- June 30, 2015	April 1- June 30, 2015
Financial Expenses	4.348.115	2.165.820	4.060.698	1.826.630
Foreign currency gains	30.513.000	21.956.481	49.291.959	13.242.213
Security Sales Income	2.791	2.791	-	-
Derivative Financial Instruments Expenses	8.056.869	7.036.777	1.393.307	1.393.207
Derivative Financial Instruments Fair Value Difference	4.331.061	(2.669.167)	-	-
	47.251.836	28.492.702	54.745.964	16.462.050

35. FIXED ASSETS HELD FOR SALE AND CEASED OPERATIONS

None.

36. TAX ASSETS AND TAX LIABILITIES

Corporation tax is charged from taxable corporate income, which is calculated from the statutory accounting profit by adding non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

In 2016 corporate tax rate is 20% (2015: 20%).

In Turkey pre-paid corporate tax is calculated and accrued quarterly. In 2016, pre-paid corporate tax rate is 20% of the corporation income for the quarterly taxation periods (2015: 20%).

Losses can be carried forward to offset from future taxable income for up to 5 years. Losses cannot be carried back to offset from profit of the previous periods.

There is not a specific procedure for a final and definitive agreement on tax assessments in Turkey. Companies prepare their current year tax returns within April 1-25 of the following year (The duration for the companies which has private fiscal year between 1st and the 25th day of the forth month following the closing date of the fiscal year). Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

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Income Withholding Tax:

In addition to corporate taxes, companies should also calculate income withholding taxes and funds surcharge on any dividends distributed, except for companies receiving dividends who are resident companies in Turkey and Turkish branches of foreign companies. The rate of income withholding tax is 10% beginning from April 24, 2003. This rate modified to 15% by the law No: 5520, article 15 valid from June 21, 2006. However, by the new cabinet decision the rate was stated to be 10% until it is modified. The income withholding tax becomes 15% by publishing on the official journal by the cabinet decision on July 23, 2006. Undistributed dividends incorporated in share capital are not subject to income withholding taxes.

Deferred Tax Assets / Liability:

The Group recognises deferred tax assets and liabilities based upon temporary differences arising from differences between its consolidated financial statements as reported based on the "Financial Reporting Standards in capital market" and its statutory tax financial statements. These differences are set out below. Deferred tax asset is only provided to the extent if it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Provision is provided for the deferred tax asset of which the realisation is not likely. Deferred tax rate is 20% for all temporary differences since there is investment incentive of The Group (December 31, 2015: 20%).

Deferred tax liabilities are recognised for all taxable temporary differences.

Temporary difference and deferred tax as of June 30, 2016 are as follows:

Deferred Tax Assets	Temporary Difference	Deferred Tax
Doubtful Receivables	4.343.867	868.773
Adjustment on Receivables from Personnel	68.895	13.779
Adjustment on Advances Given	78.809	15.762
Adjustment on Letter of Credit Interest	46.525	9.305
Impairment of Inventories Expenses	135.207	27.041
Adjustment on Amortized Cost of Receivables	669.701	133.940
Financial Leasing Adjustment	1.893	379
Adjustment on Tangible and Intangible Assets	477.681	95.536
Adjustment of Loans	36.059	7.213
Adjustment on Warehouse Expenses	7.716	1.543
Provisions for Unused Vacation	145.554	29.111
Derivative Instruments Fair Value Difference Adjustment	4.331.061	866.212
Adjustment on Other Receivables	366	74
Adjustment on Inventory Maturity and Other Differences	334.082	66.817
Actuarial Difference of Employee Termination Benefits *	415.584	83.117
	11.093.000	2.218.602

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Deferred Tax Liabilities	Temporary Difference	Deferred Tax
Vehicles Revaluation Difference (Related with Equity)	456.831	91.366
Lands and Buildings Revaluation Difference (Related with Equity)	5.518.734	1.103.747
Interest Income	724.914	144.982
Adjustment on Bank Interest Income Accruals	1.634.871	326.974
Tangible and Intangible Assets Depreciation Difference	5.800.296	1.160.059
Employee Termination Benefits Actuarial Difference	1.679.204	335.841
	15.814.850	3.162.969

Temporary difference and deferred tax as of December 31, 2015 are as follows:

Deferred Tax Assets	Temporary Difference	Deferred Tax
Doubtful Trade Receivables	3.514.724	702.945
Adjustment on Receivables from Personnel	69.495	13.899
Adjustment on Advances Given	87.849	17.570
Adjustment on Letter of Credit Interest	126.053	25.211
Impairment of Inventories Expenses	1.206.113	241.224
Adjustment on Amortized Cost of Receivables	1.877.050	375.410
Financial Leasing Adjustment	92.877	18.575
Adjustment on Tangible and Intangible Assets	453.720	90.744
Sell and Leaseback Deferred Income Adjustment	260.705	52.141
Loan Adjustment	6.655	1.331
Adjustment on Warehouse Expenses	743.749	148.750
Constructions in Progress	26.955	5.391
Provisions for Lawsuits	39.231	7.846
Inventory Maturity Difference and Other Adjustments	3.470.787	694.157
Other Receivables Adjustment	1.314	263
Actuarial Difference of Employee Termination Benefits *	350.619	70.124
	12.327.896	2.465.581

Deferred Tax Liabilities	Temporary Difference	Deferred Tax
Vehicles Revaluation Difference (Related with Equity)	456.831	91.366
Lands and Buildings Revaluation Difference (Related with Equity)	5.518.734	1.103.747
Adjustment on Bank Interest Income Accruals	36.538	7.307
Adjustment on Amortized Cost of Payables	5.583.611	1.116.722
Adjustment on Derivative Financial Instruments Income	6.298.560	1.259.712
Tangible and Intangible Assets Depreciation Difference	5.733.548	1.146.709
Employee Termination Benefits Actuarial Difference*	1.817.983	363.597
Inventory Count Adjustment	426.529	85.306
	25.872.334	5.174.466

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Changes in the deferred tax as of June 30, 2016 and December 31, 2015 are as follows:

	January 1- June 30, 2016	January 1- December 31, 2015
Opening Balance	(1.583.896)	(340.704)
Deferred Tax Income /(Expenses) for The Period	1.751.525	(1.243.192)
Tangible Assets Revaluation Surplus and Actuarial		
Difference Deferred Tax Effect*	(1.111.996)	(1.124.989)
Closing Balance	(944.367)	(2.708.885)

*According to TAS 12, 61-a, current tax and deferred tax related with the items which are not recognised in profit or loss, are not recognised in profit or loss both in the same or different period. Therefore, current tax and deferred tax that relates to items that are recognised, in the same or a different period in other comprehensive income, shall be recognised in other comprehensive income. Deferred tax liability which is calculated by actuarial differences, is recognised in other comprehensive income.

Tax expenses as of June 30, 2016 and June 30, 2015 are as follows:

	January 1- June 30, 2016	April 1- June 30, 2016	January 1- June 30, 2015	April 1- June 30, 2015
Current Period Tax				
Income/(Expenses)	1.781.963	(959.801)	9.528	9.528
Deferred Tax(Profit)/ Loss	(1.751.525)	195.749	3.014.272	551.187
	30.438	(764.052)	3.023.800	560.715

Tax provisions as of June 30, 2016 and December 31, 2015 are as follows:

	January 1- June 30, 2016	January 1- December 31, 2015
Corporate Tax Liabilities	1.781.963	727.875
Prepaid Taxes and Funds	(2.788.567)	(448.115)
	(1.006.604)	279.760

37. EARNINGS PER SHARE

Details of earning per share as of June 30, 2016 and June 30, 2015 are as follows:

	January 1- June 30, 2016	April 1- June 30, 2016	January 1- June 30, 2015	April 1- June 30, 2015
Net Profit/(Loss) for the Period	3.341.413	(1.730.401)	2.500.927	5.881.630
Weighted Average Number of Ordinary Shares	84.500.000	84.500.000	84.500.000	84.500.000
Earnings Per Share	0,0395	-	0,0296	0,0696

38. RELATED PARTY DISCLOSURES

	June 30, 2016	December 31, 2015
Unay Un San. ve Tic. A.Ş.	4.467	-
Trade Receivable from Related Parties	4.467	-

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	June 30, 2016	December 31, 2015
Unay Un San. ve Tic. A.Ş.	67.733	9.591.657
Notes Receivable from Related Parties	67.733	9.591.657
	June 30, 2016	December 31, 2015
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	144.390	246.600
Other Receivables from Related Parties	144.390	246.600
	June 30, 2016	December 31, 2015
Unay Un San. ve Tic. A.Ş.	-	2.000.000
Advances Given to Related Parties	-	2.000.000
	June 30, 2016	December 31, 2015
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	34.723	-
Ulusoy Petrol Ürünleri Tic. A.Ş.	41.038	33.415
Ulusoy Çay Gıda San. ve Tic. A.Ş.	17.242	-
GK Tarım Ürünleri Depoculuk A.Ş.	-	860.995
Trade Payables to Related Parties	93.003	894.410
	June 30, 2016	December 31, 2015
Unay Un San. ve Tic. A.Ş.	1.318.847	8.408.464
Notes Payable to Related Parties	1.318.847	8.408.464
	January 1- June 30, 2016	January 1- June 30, 2015
Unay Un San. ve Tic. A.Ş.	13.801.341	21.514.464
Advances Taken from Related Parties	13.801.341	21.514.464
	January 1- June 30, 2016	January 1- June 30, 2015
Unay Un San. ve Tic. A.Ş.	46	-
Sales Returns from Related Parties	46	-
	January 1- June 30, 2016	January 1- June 30, 2015
Unay Un San. ve Tic. A.Ş.	2.773	11.770
Sales Discounts to Related Parties	2.773	11.770

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	January 1- June 30 , 2016	January 1- June 30, 2015
Ulusoy Çay Gıda San. ve Tic. A.Ş.	12.065	12.430
Unay Un San. ve Tic. A.Ş.	29.601.818	22.559.423
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	203.043	202.238
GK Tarım Ürünleri Depoculuk A.Ş.	157.910	1.029.376
Purchase of Raw Material and Supplies from Related Parties	29.974.836	23.803.467
	January 1- June 30 , 2016	January 1- June 30, 2015
Unay Un San. ve Tic. A.Ş.	62.694	120.823
GK Tarım Ürünleri Depoculuk A.Ş.	8.310	-
Other Income from Related Parties	71.004	120.823
	January 1- June 30 , 2016	January 1- June 30, 2015
Ulusoy Çay Gıda San. ve Tic. A.Ş.	-	635
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	65.481	-
Other Expenses to Related Parties	65.481	635
	January 1- June 30 , 2016	January 1- June 30, 2015
Unay Un San. ve Tic. A.Ş.	749.262	97.217
Ulusoy Petrol Ürünleri Tic. A.Ş.	2.320	-
Ulusoy Çay Gıda San. ve Tic. A.Ş.	975	-
General Production Expenses to Related Parties	752.557	97.217
	January 1- June 30 , 2016	January 1- June 30, 2015
Unay Un San. ve Tic. A.Ş.	11.152	22.698
Ulusoy Petrol Ürünleri Tic. A.Ş.	89.227	138.507
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	52.686	2.143
Marketing Expenses to Related Parties	153.065	163.348
	January 1- June 30 , 2016	January 1- June 30, 2015
Ulusoy Çay Gıda San. ve Tic. A.Ş.	2.925	2.635
Ulusoy Petrol Ürünleri Tic. A.Ş.	70.771	54.711
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	3.061	-
General Administrative Expenses to Related Parties	76.757	57.346

Top management of The Group consists of board members, general manager and department managers.

Total wage payments and other utilities to top management as of June 30, 2016 is 305.300,00 -TL (December 31, 2015: 614.546,66 -TL)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

39. NATURE AND EXTENT OF RISK ARISING FROM FINANCIAL INSTRUMENTS

Liquidity Risk Management:

The principal responsibility related with the liquidity risk management belongs to the Board of Directors. The Board of Directors has created an appropriate liquidity risk management for the short, medium, and long term funding and liquidity requirements of The Group. The Group manages the liquidity risk by monitoring the estimated and actual cash flows on a regular basis and ensuring the continuity of adequate funds and borrowing reserve through matching the maturities of financial assets and liabilities.

Credit Risk:

The Group's credit risk primarily arises from its trade receivables. Trade receivables are evaluated by The Group's management based on prior experiences and the current economic environment, and presented in the consolidated statement of financial position on net basis after deducting allowances for doubtful receivables.

Market Risk:

Market risk arises from the probable changes in the level of interest rates, currency exchange rates or the price of securities and other financial contracts that might have an adverse financial impact.

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(Amounts expressed in TL, unless otherwise is stated.)

40. FINANCIAL INSTRUMENTS (FAIR VALUE EXPLANATIONS AND EXPLANATIONS OF HEDGE ACCOUNTING)**Statement of Foreign Currency Position**

Statement of Foreign Currency Position			
June 30, 2016			
	TL (Its functional currency)	USD	Euro
1. Trade and Other Receivables	102.732.066	35.382.510	108.986
2a. Monetary Financial Asset (Include Cash and Bank Account)	83.713.023	28.175.462	681.721
2b. Non-Monetary Financial Assets	-	-	-
3. Futures Market Collaterals	1.731.649	598.441	-
4. Advances Given	13.091.317	4.521.574	2.400
5. .Current Assets (1+2+3+4)	201.268.055	68.677.987	793.107
6. Other Non-Current Assets	-	-	-
7. Non-Current Assets	-	-	-
8. Total Assets	201.268.055	68.677.987	793.107
9. Short and Long Term Liabilities			
Loans	27.701.434	7.000.000	2.323.753
Leasing Receivables	684.994	236.727	-
Trade and Other Payables	266.740.180	92.177.827	4.500
Advances Collected	4.331.061	1.496.772	-
10. Total Liabilities	4.669.115	1.610.882	2.455
5. .Current Assets (1+2+3+4)	304.126.784	102.522.208	2.330.708

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(Amounts expressed in TL, unless otherwise is stated.)

Statement of Foreign Currency Position				
	December 31, 2015			
	TL (its functional currency)	USD	Euro	
1. Trade and Other Receivables	85.525.801	29.232.795	166.329	
2a. Monetary Financial Asset (Include Cash and Bank Account)	19.534.649	6.292.389	389.573	
2b. Non-Monetary Financial Assets	-	-	-	
3. Futures Market Collaterals	8.869.096	3.050.315	-	
4. Advances Given	5.296.719	1.821.681	-	
5. .Current Assets (1+2+3+4)	119.226.265	40.397.180	555.902	
6. Other Non-Current Assets	-	-	-	
7. Non-Current Assets	-	-	-	
8. Total Assets	119.226.265	40.397.180	555.902	
9. Short and Long Term Liabilities				
Loans	70.895.977	23.151.231	1.127.095	
Leasing Receivables	776.795	267.160	-	
Trade and Other Payables	220.518.245	75.821.019	-	
Advances Collected	657.123	189.393	33.498	
10. Total Liabilities	292.848.140	99.428.803	1.160.593	
Foreign Currency Sensitivity Analysis				
	June 30, 2016			
	Profit/Loss		Shareholder's Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
Change in 10% of USD Against TL				
1- Net USD Asset/Liability	(9.793.164)	9.793.164	(9.793.164)	9.793.164
2- USD Hedging (-)	-	-	-	-
3- Net USD Effect (1+2)	(9.793.164)	9.793.164	(9.793.164)	9.793.164
Change in 10% of Euro Against TL				
4- Net Euro Asset/Liability	(492.709)	492.709	(492.709)	492.709
5- Euro Hedging (-)	-	-	-	-
6- Net Euro Effect (4+5)	(492.709)	492.709	(492.709)	492.709

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

Foreign Currency Sensitivity Analysis				
December 31, 2015				
	Profit/Loss		Shareholder's Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
Change in 10% of USD Against TL				
1- Net USD Asset/Liability	(17.164.035)	17.164.035	(17.164.035)	17.164.035
2- USD Hedging (-)	-	-	-	-
3- Net USD Effect (1+2)	(17.164.035)	17.164.035	(17.164.035)	17.164.035
Change in 10% of Euro Against TL				
4- Net Euro Asset/Liability	(192.147)	192.147	(192.147)	192.147
5- Euro Hedging (-)	-	-	-	-
6- Net Euro Effect (4+5)	(192.147)	192.147	(192.147)	192.147

Credit Risk

	Receivables						
	Trade Receivables		Other Receivables		Deposits	Derivative Instruments	Other
	Related Party	Other Party	Related Party	Other Party			
June 30, 2016							
Maximum credit risk as of reporting dates (A+B+C+D+E)	72.200	215.658.441	144.390	2.789.023	148.548.775	2.025.599	26.690.359
- The part of maximum is under guarantee with collateral	-	-	-	-	-	-	-
A. Carrying value of financial assets that not past due nor impaired	72.200	215.658.441	144.390	2.789.023	148.548.775	2.025.599	26.690.359
B. Net book value of financial assets that terms are reassessed, if not accepted as past due or impaired	-	-	-	-	-	-	-
C. Carrying value of financial assets that past due not impaired	-	-	-	-	-	-	-
- The part under guarantee with collateral etc	-	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-	-
- Past due (gross book value)	-	5.147.471	-	510.012	-	-	-
- Impairment (-)	-	(5.147.471)	-	(510.012)	-	-	-
- - The part of net value under guarantee with collateral etc.	-	-	-	-	-	-	-
- Not past due (gross book value)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-	-	-
E. Off balance sheet items that include credit risk	-	-	-	-	-	-	-

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED THEN JUNE 30, 2016

(Amounts expressed in TL, unless otherwise is stated.)

December 31, 2015	Receivables				Deposits	Derivative Instruments	Other
	Trade Receivables		Other Receivables				
	Related Party	Other Party	Related Party	Other Party			
Maximum credit risk as of reporting dates (A+B+C+D+E)	9.591.657	200.212.331	246.000	3.481.556	42.267.619	8.869.096	38.235.227
- The part of maximum is under guarantee with collateral	-	-	-	-	-	-	-
A. Carrying value of financial assets that not past due nor impaired	9.591.657	200.212.331	246.000	3.481.556	42.267.619	8.869.096	38.235.227
B. Net book value of financial assets that terms are reassessed, if not accepted as past due or impaired	-	-	-	-	-	-	-
C. Carrying value of financial assets that past due not impaired	-	-	-	-	-	-	-
- The part under guarantee with collateral etc	-	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-	-
- Past due (gross book value)	-	4.840.981	-	-	-	-	-
- Impairment (-)	-	(4.840.981)	-	-	-	-	-
- - The part of net value under guarantee with collateral etc.	-	-	-	-	-	-	-
- Not past due (gross book value)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
The part of net value under guarantee with collateral etc.	-	-	-	-	-	-	-
E. Off balance sheet items that include credit risk	-	-	-	-	-	-	-

Liquidity Risk

June 30, 2016						
Maturities Based on Agreement						
Non Derivative Financial Liabilities	Book Value	Cash Outflow According to Contract	Less Than 3 Month	3-12 Month	1-5 Year	More Than 5 Years
Financial Liabilities	34.636.428	34.636.428	1.885.195	29.046.357	3.704.876	-
Debt Securities Issuance	-	-	-	-	-	-
Trade Receivables	285.194.617	285.194.617	66.819.885	218.374.732	-	-
Other Payables	39.900	39.900	-	39.900	-	-

December 31, 2015						
Maturities Based on Agreement						
Non Derivative Financial Liabilities	Book Value	Cash Outflow According to Contract	Less Than 3 Month	3-12 Month	1-5 Year	More Than 5 Years
Financial Liabilities	88.284.843	88.284.843	33.146.482	54.486.898	651.463	-
Debt Securities Issuance	-	-	-	-	-	-
Trade Receivables	233.915.632	233.915.632	17.557.345	216.358.287	-	-
Other Payables	38.120	38.120	-	38.120	-	-

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(Amounts expressed in TL, unless otherwise is stated.)

June 30, 2016	Receivables		Deposits	Derivative Instruments	Other
	Trade Receivables	Other Receivables			
1-30 days overdue	-	-	-	-	-
1-3 months overdue	-	-	-	-	-
3-12 months overdue	713.639	510.012	-	-	-
1-5 years overdue	4.433.832	-	-	-	-
More than 5 years overdue	-	-	-	-	-

December 31, 2015	Receivables		Deposits	Derivative Instruments	Other
	Trade Receivables	Other Receivables			
1-30 days overdue	-	-	-	-	-
1-3 months overdue	-	-	-	-	-
3-12 months overdue	760.568	-	-	-	-
1-5 years overdue	3.720.413	-	-	-	-
More than 5 years overdue	-	-	-	-	-

41. SUBSEQUENT EVENTS

The Company has decided to sell and leaseback 7.134.142-TL of buildings which had been classified as investment properties. The Company has sold these buildings to Finans Finansal Kiralama A.Ş., in accordance with the values determined by 2016/3820 and 2016/4149 numbered, May 6, 2016 dated Real Estate Revaluation Report which has been prepared by Elit Gayrimenkul Değerleme A.Ş.. As per the contract signed with Finans Finansal Kiralama A.Ş. ; after all legal processes have been completed, deed transfers will be made in August 2016 and exact sales amount will be calculated with the USD (American Dollar) exchange rate on the deed transfer date.

In the Scope of CMB's July 21, 2016 dated announcement; the July 25, 2016 dated and 2016/014 numbered decision to buy back The Company's shares in the market has been taken. Additional board of director's decision has been taken on July 25, 2016 referring to CMB's July 25, 2016 dated press announcement.

As per the board of director's decree dated July 25, 2016;

1. Principles of Buyback Program;

a. Buyback Reason: In order to eliminate price inconsistencies caused by extraordinary economic conditions.

b. Buyback Programs' Application Duration: 1 Year

c. Maximum Amount of Shares to Buyback: 5.000.000 Unit

d. Min and Max Price Limits: 0,00 TL/Unit and 5,00 TL/Unit interval

e. Yearly and Last Quarterly Share Price Info:

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(Amounts expressed in TL, unless otherwise is stated.)

Period	Minimum Price	Maximum Price	Weighted Average Price
Year	1,50 TL	2,10 TL	1,88 TL
Last 3 Months	1,50 TL	2,07 TL	1,83 TL

2. In case of reaching maximum amount of shares to buyback, the buyback program will be finalized without waiting 1 year period,

3. Reselling terms of bought back shares are undetermined because of the existing economic uncertainties.

4. Maximum 25.000.000-TL will be reserved for buyback and this amount will be supplied from The Company's cash and cash equivalents.

Also;

5. It has been decided to declare that the Buyback program does not have any foreseen negative effect on The Company's financial position and operating results.

Details of The Company's bought back shares as of August 18, 2016 are as follows:

Date	Nominal Amount of Shares Acquired After Process (TL)	Ratio of Shares Acquired After Process in the The Company's Equity (%)
August 18, 2016	435.599	% 0,515

42. OTHER MATTERS THAT MAY AFFECT THE FINANCIAL STATEMENTS TO A SIGNIFICANT EXTENT OR MATTERS WHICH ARE REQUIRED TO BE EXPLAINED IN ORDER FOR THE FINANCIAL STATEMENTS TO BE CLEAR, INTERPRETABLE AND UNDERSTANDABLE

None.