

**ENKA İNŞAAT VE SANAYİ
ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

SUMMARY CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 JUNE 2016

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of
Enka İnşaat ve Sanayi A.Ş.

Introduction

The accompanying summary consolidated financial statements, which comprise the summary consolidated balance sheet as at 30 June 2016, summary consolidated statement of income, summary consolidated statement of other comprehensive income, summary consolidated statement of changes in equity, summary consolidated statement of cash flows for the period then ended, and related notes, are derived from the reviewed condensed consolidated financial statements of Enka İnşaat ve Sanayi Anonim Şirketi and its subsidiaries and joint ventures (together will be referred as the "Group") as of 30 June 2016. We expressed an unmodified review conclusion on those condensed consolidated financial statements in our report dated 15 August 2016.

Management is responsible for the preparation of a summary of the condensed consolidated financial statements on the basis described in Note 2. The summary consolidated financial statements do not contain all the disclosures required by International Accounting Standards 34 "Interim Financial Reporting" ("IAS 34"). Reading the summary financial statements, therefore, is not a substitute for reading the reviewed condensed consolidated financial statements of the Group.

Scope of Review

We conducted our review to express a conclusion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing ISA 810, "Engagements to Report on Summary Financial Statements."

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying summary consolidated financial statements derived from the reviewed condensed consolidated financial statements of the Group for the period ended 30 June 2016 are not consistent, in all material respects, with those financial statements, on the basis described in Note 2.

DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Istanbul, 15 August 2016

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ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**SUMMARY CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2016**

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

ASSETS	30 June 2016	31 December 2015
Current Assets	2,518,713	2,689,181
Cash and cash equivalents	948,591	949,188
Financial investments	677,309	775,137
Trade receivables	502,669	527,788
Other receivables		
Other receivables from related parties	36	19
Other receivables from third parties	1,737	446
Inventories	281,734	233,599
Prepaid expenses	56,965	80,050
Costs and estimated earnings in excess of billings on uncompleted contracts	16,030	79,844
Other current assets	32,781	42,258
	<u>2,517,852</u>	<u>2,688,329</u>
Assets held for sale and discontinued operations	861	852
Non-Current Assets	4,923,097	4,455,605
Financial investments	1,545,561	1,226,347
Trade receivables	8,980	8,780
Investment properties	1,697,281	1,558,724
Property, plant and equipment	1,591,626	1,580,278
Intangible assets		
Goodwill	55,168	55,168
Other intangible assets	19,756	20,240
Deferred tax assets	20	49
Prepaid expenses	872	1,222
Other non-current assets	3,833	4,797
TOTAL ASSETS	<u>7,441,810</u>	<u>7,144,786</u>

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

**SUMMARY CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2016**

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

	30 June 2016	31 December 2015
LIABILITIES		
Current Liabilities	882,007	953,833
Short-term borrowings	20,191	6,076
Current portion of long-term borrowings	46,607	34,773
Trade payables	357,662	430,204
Payables to employees	22,486	13,551
Other payables		
Payables to related parties	101	860
Payables to third parties	13,966	18,575
Billings in excess of costs and estimated earnings on uncompleted contracts	173,050	160,900
Deferred income	109,992	140,774
Taxation on income	46,226	56,430
Provisions		
Provisions for employee benefits	11,312	14,683
Other provisions	50,935	48,253
Other current liabilities	29,479	28,754
Non-Current Liabilities	1,021,233	1,013,601
Long-term borrowings	166,660	104,290
Other payables	22,181	22,898
Deferred income	428,129	505,897
Provisions for employee benefits	17,554	16,952
Deferred tax liabilities	386,709	363,564
EQUITY	5,538,570	5,177,352
Equity Attributable to Equity Holders of the Parent	5,477,808	5,125,542
Share capital	2,445,227	2,378,041
Revaluation surplus	147,664	148,222
Currency translation difference	(1,212,811)	(1,326,308)
Other reserves	(702)	(1,207)
Legal reserves and accumulated profit	4,098,430	3,926,794
Non-Controlling Interests	60,762	51,810
TOTAL LIABILITIES AND EQUITY	7,441,810	7,144,786

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

**SUMMARY CONSOLIDATED STATEMENT OF INCOME
FOR THE PERIOD ENDED 30 JUNE 2016**

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

	1 January- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2016	1 April- 30 June 2015
CONTINUING OPERATIONS				
Revenue	1,842,236	2,464,626	937,893	1,183,955
Cost of revenues (-)	(1,442,617)	(2,043,365)	(744,386)	(986,149)
GROSS PROFIT	399,619	421,261	193,507	197,806
Administrative expenses (-)	(61,080)	(57,184)	(35,246)	(30,347)
Marketing expenses (-)	(14,984)	(17,052)	(7,893)	(10,742)
Other operating income	12,561	14,493	3,651	5,844
Other operating expenses (-)	(12,901)	(20,938)	(5,956)	(7,539)
PROFIT FROM OPERATIONS	323,215	340,580	148,063	155,022
Income from investing activities	173,602	110,742	70,955	35,194
Expenses from investing activities (-)	(55,379)	(40,815)	(2,526)	(13,602)
OPERATING PROFIT BEFORE FINANCE EXPENSES	441,438	410,507	216,492	176,614
Financial income	18,718	27,646	10,999	11,885
Financial expenses (-)	(12,397)	(14,080)	(2,800)	10,070
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	447,759	424,073	224,691	198,569
Current tax expense (-)	(69,817)	(76,370)	(35,976)	(37,799)
Deferred tax expense (-)	(12,245)	(14,475)	(9,483)	(1,787)
NET PROFIT FOR THE PERIOD	365,697	333,228	179,232	158,983
Attributable to:				
Non-controlling interest	7,219	681	4,315	(770)
Equity holders of the parent	358,478	332,547	174,917	159,753
	365,697	333,228	179,232	158,983
Earning per share from continuing operations				
- ordinary share certificate (full cent)	0.09	0.08	0.04	0.04
Weighted average number of shares (1 cent weighted average shares)	420,000,000,000	420,000,000,000	420,000,000,000	420,000,000,000

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

**SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2016**

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

	1 January- 30 June 2016	1 January- 30 June 2015	1 April- 30 June 2016	1 April- 30 June 2015
NET PROFIT FOR THE PERIOD	365,697	333,228	179,232	158,983
Other Comprehensive Income / (Expense):				
Items that will not be reclassified subsequently to profit or loss	510	210	319	1,196
Changes in currency translation difference	510	210	319	1,196
Items that may be reclassified subsequently to profit or loss	116,310	(76,857)	28,527	49,478
Changes in currency translation difference	115,805	(76,857)	28,315	49,478
<i>Changes in cash flow hedge</i>	<i>505</i>	<i>-</i>	<i>212</i>	<i>-</i>
Gain arising during the period	505	-	212	-
OTHER COMPREHENSIVE INCOME / (LOSS)	116,820	(76,647)	28,846	50,674
TOTAL COMPREHENSIVE INCOME	482,517	256,581	208,078	209,657
Attributable to:				
Non-controlling interest	9,527	(2,745)	4,869	420
Equity holders of the parent	472,990	259,326	203,209	209,237
	482,517	256,581	208,078	209,657

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

**SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2016**

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

	Share capital	Revaluation surplus	Currency translation difference	Other reserves	Legal reserves and accumulated profit	Total	Non-controlling interests	Total equity
Balance at 1 January 2015	2,230,412	161,888	(994,861)	1,986	3,757,719	5,157,144	57,614	5,214,758
Total other comprehensive income	-	210	(71,445)	(1,986)	-	(73,221)	(3,426)	(76,647)
Profit for the period	-	-	-	-	332,547	332,547	681	333,228
Total comprehensive income	-	210	(71,445)	(1,986)	332,547	259,326	(2,745)	256,581
Transfer of depreciation difference (net of deferred tax) of revaluation effect	-	(1,176)	-	-	1,176	-	-	-
Share capital increase	147,629	-	-	-	(147,629)	-	-	-
Dividends paid	-	-	-	-	(123,144)	(123,144)	(6,570)	(129,714)
Transfer of revaluation surplus of sold lands	-	(5,312)	-	-	5,312	-	-	-
Balance at 30 June 2015	2,378,041	155,610	(1,066,306)	-	3,825,981	5,293,326	48,299	5,341,625
Balance at 1 January 2016	2,378,041	148,222	(1,326,308)	(1,207)	3,926,794	5,125,542	51,810	5,177,352
Total other comprehensive income	-	510	113,497	505	-	114,512	2,308	116,820
Profit for the period	-	-	-	-	358,478	358,478	7,219	365,697
Total comprehensive income	-	510	113,497	505	358,478	472,990	9,527	482,517
Transfer of depreciation difference (net of deferred tax) of revaluation effect	-	(1,068)	-	-	1,068	-	-	-
Share capital increase	67,186	-	-	-	(67,186)	-	-	-
Dividends paid	-	-	-	-	(120,724)	(120,724)	(575)	(121,299)
Balance at 30 June 2016	2,445,227	147,664	(1,212,811)	(702)	4,098,430	5,477,808	60,762	5,538,570

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2016

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

	1 January- 30 June 2016	1 January- 30 June 2015
Cash flows from operating activities		
Profit for the period	365,697	333,228
Adjustments to reconcile net income to net cash used in operating activities:		
- Depreciation and amortization of non-current assets	49,070	49,162
- Provision for employment termination benefits	601	1,072
- Allowance for doubtful receivables	585	97
- Provision for litigations	6,394	7,507
- Adjustments to deferred income from electricity sale	(79,344)	(64,316)
- Loss from fair value of forward transactions	(1,247)	3,371
- Interest expense	1,399	1,507
- Interest income	(46,979)	(37,750)
- Dividend income	(5,521)	(4,732)
- Provision for inventory impairment, net	97	(167)
- Gain on sale or disposal of property, plant and equipment, net	(4,542)	(2,770)
- Valuation of investment securities	(61,558)	12,652
- Tax expense	82,062	90,845
	<u>306,921</u>	<u>389,706</u>
Movements in working capital		
Decrease in trade and other receivables	23,821	118,455
Decrease / (Increase) in cost and estimated earnings in excess of billings on uncompleted contracts	63,815	(13,119)
(Increase) / Decrease in inventory	(48,232)	3,884
Decrease in other current assets and other non current assets	32,577	71,053
Decrease in trade and other payables	(72,515)	(65,194)
Increase / (Decrease) in billings in excess of cost and estimated earnings on uncompleted contracts	12,150	(67,552)
Decrease in provision for liabilities and other liabilities	(30,991)	(129,653)
	<u>(19,375)</u>	<u>(82,126)</u>
Income taxes paid	(80,021)	(84,603)
Employee termination benefits paid	(332)	(673)
Net cash generated from operating activities	<u>207,193</u>	<u>222,304</u>
Cash flows from investing activities		
Financial investments	(159,827)	(285,359)
Proceeds on disposal or sale of property, plant and equipment	10,056	14,108
Purchases of property, plant and equipment, intangible assets and investment properties	(79,538)	(70,829)
Interest received	46,772	37,750
Dividend income	5,521	4,732
Net cash used in investing activities	<u>(177,016)</u>	<u>(299,598)</u>
Cash flows from financing activities		
Short-term borrowings, net	14,137	(5,380)
Addition to long-term borrowings	77,233	-
Repayments of long-term borrowings	(21,238)	(19,406)
Interest paid	(1,681)	(1,603)
Dividend paid to non-controlling interests	(575)	(6,570)
Dividend paid	(120,724)	(123,144)
Net cash used in financing activities	<u>(52,848)</u>	<u>(156,103)</u>
Translation reserve	22,074	(84,532)
Net decrease in cash and cash equivalents	<u>(597)</u>	<u>(317,929)</u>
Cash and cash equivalents at beginning of the period	948,188	1,407,194
Cash and cash equivalents at end of the period	<u>947,591</u>	<u>1,089,265</u>

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016

(Amounts are expressed in thousands of U.S. Dollars (“USD”) unless otherwise stated.)

1. ORGANIZATIONS AND OPERATIONS OF THE GROUP

Enka İnşaat ve Sanayi Anonim Şirketi (“the Group”) was established on 4 December 1967 and registered in İstanbul, Turkey, under the Turkish Commercial Code. The address of the headquarters and registered office of Enka İnşaat is Balmumcu, Zincirlikuyu Yolu No:10, 34349 Enka Binası Beşiktaş, İstanbul, Turkey.

As of 28 June 2002, Enka İnşaat merged legally with its publicly traded shareholder company, Enka Holding Yatırım Anonim Şirketi (Enka Holding), which were under the common control of Tara Holding Anonim Şirketi and Tara and Gülçelik families. As of 30 June 2016, 12.47% of the shares of Enka İnşaat is traded publicly in İstanbul Stock Exchange (“ISE”).

As of 30 June 2016, the average numbers of white and blue-collar personnel are respectively 4,928 and 24,475 (31 December 2015 – 4,757 and 17,695).

For the purpose of the consolidated financial statements, Enka İnşaat, its consolidated subsidiaries and its joint operations are hereinafter referred to as “the Group”.

The Group operates in geographical areas below:

- i. *Turkey*: engaged in diverse types of construction activities including construction of industrial and social buildings, motorways and construction and operation of natural gas fired electrical energy generation facilities.
- ii. *Russian Federation, Turkmenistan, Georgia and Kazakhstan*: engaged in construction activities and also in investment and development of real estate properties and shopping malls in Moscow, Russia.
- iii. Engaged in construction activities in Gabon, Djibouti, Mauritania and Equatorial Guinea in Africa; Saudi Arabia, Oman, Iraq and Afganistan in Asia and also in Dominican Republic.
- iv. *Europe*: engaged in construction and trading activities in Romania, the Netherlands, Switzerland, Germany and Kosovo.

2. BASIS OF PRESENTATION OF SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The summary consolidated financial statements of the Group are derived from condensed consolidated financial statements of the Group for the period ended 30 June 2016 prepared in accordance with the accounting principles promulgated by the Turkish Capital Market Board (“CMB”).

The summary consolidated financial statements are presented in U.S. Dollars (“USD”) and all values are rounded to the nearest thousand (‘000) except when otherwise indicated. There is no difference in the summary consolidated financial statements derived from the condensed consolidated financial statements prepared in accordance with the accounting policies promulgated by CMB, except for the use of USD and TL as the presentation currency, respectively.

This summary interim financial information does not contain all the information required for the preparation of the annual financial statements, and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2015 prepared in accordance with International Financial Reporting Standards (“IFRS”).

Comparative information and reclassification of prior year financial statements

The Group prepares comparative consolidated financial statements, to enable readers to determine financial position and performance trends. For the purposes of effective comparison, comparative consolidated financial statements can be reclassified when deemed necessary by the Group, where descriptions on significant differences are disclosed. In the current year, the Group had made no reclassification.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

3. SEGMENTAL INFORMATION

a) Business segments

	1 January - 30 June 2016					
	Construction contracts	Rental	Trade and manufacturing	Energy	Eliminations	Consolidated
Revenues	738,362	162,559	127,033	814,282	-	1,842,236
Inter-segment revenues	29,665	-	4,952	10,846	(45,463)	-
Cost of revenues (-)	(628,158)	(38,315)	(104,646)	(671,498)	-	(1,442,617)
Inter-segment cost of revenues (-)	(29,902)	-	(4,952)	(10,846)	45,700	-
Gross profit	109,967	124,244	22,387	142,784	237	399,619
Administrative expenses (-)	(40,517)	(8,663)	(7,759)	(4,375)	234	(61,080)
Marketing expenses (-)	(6,960)	(2,529)	(5,495)	-	-	(14,984)
Other operating income	6,475	5,475	507	104	-	12,561
Other operating expenses (-)	(6,878)	(4,949)	(1,115)	(26)	67	(12,901)
Profit from operations	62,087	113,578	8,525	138,487	538	323,215
Investment income	173,487	4	11	100	-	173,602
Investment expenses (-)	(55,124)	(255)	-	-	-	(55,379)
Profit from operations before financial income / (expenses)	180,450	113,327	8,536	138,587	538	441,438
Financial income	8,433	3,820	3,943	4,499	(1,977)	18,718
Financial expenses (-)	(8,500)	(3,938)	(1,649)	(267)	1,957	(12,397)
Profit before tax	180,383	113,209	10,830	142,819	518	447,759
Current tax expense (-)	(32,471)	(17,749)	(2,839)	(16,758)	-	(69,817)
Deferred taxation income/ (expenses)	3,005	(691)	(183)	(14,376)	-	(12,245)
Profit for the period from continuing operations	150,917	94,769	7,808	111,685	518	365,697

	30 June 2016				
	Construction contracts	Rental	Trade and manufacturing	Energy	Consolidated
Segment assets	3,776,816	1,796,442	259,515	1,608,794	7,441,567
Unallocated assets					243
Total assets	3,776,816	1,796,442	259,515	1,608,794	7,441,810
Segment liabilities	676,530	337,969	139,357	749,283	1,903,139
Unallocated liabilities					101
Total liabilities	676,530	337,969	139,357	749,283	1,903,240

	1 January - 30 June 2016				
	Construction contracts	Rental	Trade and manufacturing	Energy	Consolidated
Other segment information					
<u>Capital expenditures</u>					
Property, plant and equipment & investment property	40,282	22,828	73	15,909	79,092
Intangible assets	358	33	20	35	446
Total capital expenditures	40,640	22,861	93	15,944	79,538
Depreciation expense	20,125	1,527	377	26,150	48,179
Amortisation	666	48	71	106	891

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

3. SEGMENTAL INFORMATION (cont'd)

a) Business segments (cont'd)

	1 April - 30 June 2016					
	Construction contracts	Rental	Trade and manufacturing	Energy	Eliminations	Consolidated
Revenues	398,015	80,088	72,677	387,113	-	937,893
Inter-segment revenues	18,248	-	2,830	7,790	(28,868)	-
Cost of revenues (-)	(339,703)	(21,756)	(60,760)	(322,167)	-	(744,386)
Inter-segment cost of revenues (-)	(18,251)	-	(2,830)	(7,790)	28,871	-
Gross profit	58,309	58,332	11,917	64,946	3	193,507
Administrative expenses (-)	(21,929)	(6,307)	(4,974)	(2,196)	160	(35,246)
Marketing expenses (-)	(3,712)	(1,418)	(2,763)	-	-	(7,893)
Other operating income	2,525	1,236	(110)	-	-	3,651
Other operating expenses (-)	(529)	(4,618)	(813)	(26)	30	(5,956)
Profit from operations	34,664	47,225	3,257	62,724	193	148,063
Investment income	70,851	4	-	100	-	70,955
Investment expenses (-)	(2,849)	323	-	-	-	(2,526)
Profit from operations before financial income / (expenses)	102,666	47,552	3,257	62,824	193	216,492
Financial income	2,718	3,124	2,589	3,675	(1,107)	10,999
Financial expenses (-)	(2,186)	(1,023)	(908)	349	968	(2,800)
Profit before tax	103,198	49,653	4,938	66,848	54	224,691
Current tax expense (-)	(20,559)	(7,965)	(989)	(6,463)	-	(35,976)
Deferred taxation income/ (expenses)	1,086	(1,518)	(53)	(8,998)	-	(9,483)
Profit for the period from continuing operations	83,725	40,170	3,896	51,387	54	179,232

	1 April - 30 June 2016					
	Construction contracts	Rental	Trade and manufacturing	Energy		Consolidated
Other segment information						
<u>Capital expenditures</u>						
Property, plant and equipment & investment property	15,028	13,451	45	14,569		43,093
Intangible assets	199	6	-	33		238
Total capital expenditures	15,227	13,457	45	14,602		43,331
Depreciation expense	9,794	747	202	13,075		23,818
Amortisation	339	16	31	87		473

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

3. SEGMENTAL INFORMATION (cont'd)

a) Business segments (cont'd)

	1 January - 30 June 2015					Consolidated
	Construction contracts	Rental	Trade and manufacturing	Energy	Eliminations	
Revenues	707,483	202,978	132,883	1,421,282	-	2,464,626
Inter-segment revenues	55,711	-	3,645	10,717	(70,073)	-
Cost of revenues (-)	(599,028)	(55,390)	(108,149)	(1,280,798)	-	(2,043,365)
Inter-segment cost of revenues (-)	(56,674)	-	(3,645)	(10,717)	71,036	-
Gross profit	107,492	147,588	24,734	140,484	963	421,261
Administrative expenses (-)	(38,388)	(6,686)	(7,714)	(4,749)	353	(57,184)
Marketing expenses (-)	(8,308)	(2,944)	(5,771)	(29)	-	(17,052)
Other operating income	9,688	2,134	221	2,450	-	14,493
Other operating expenses (-)	(18,583)	(773)	(1,624)	(31)	73	(20,938)
Profit from operations	51,901	139,319	9,846	138,125	1,389	340,580
Investment income	108,455	14	2,193	80	-	110,742
Investment expenses (-)	(40,675)	(140)	-	-	-	(40,815)
Profit from operations before financial income / (expenses)	119,681	139,193	12,039	138,205	1,389	410,507
Financial income	14,092	2,547	5,957	6,758	(1,708)	27,646
Financial expenses (-)	(8,672)	(4,778)	(1,679)	(668)	1,717	(14,080)
Profit before tax	125,101	136,962	16,317	144,295	1,398	424,073
Current tax expense (-)	(25,470)	(20,572)	(4,806)	(25,522)	-	(76,370)
Deferred taxation income/ (expenses)	(331)	(2,942)	1,168	(12,370)	-	(14,475)
Profit for the period from continuing operations	99,300	113,448	12,679	106,403	1,398	333,228

	31 December 2015				Consolidated
	Construction contracts	Rental	Trade and manufacturing	Energy	
Segment assets	3,506,513	1,650,568	208,182	1,779,257	7,144,520
Unallocated assets					266
Total assets	3,506,513	1,650,568	208,182	1,779,257	7,144,786
Segment liabilities	668,387	330,723	82,707	884,482	1,966,299
Unallocated liabilities					1,135
Total liabilities	668,387	330,723	82,707	884,482	1,967,434

	1 January - 30 June 2015				Consolidated
	Construction contracts	Rental	Trade and manufacturing	Energy	
Other segment information					
<u>Capital expenditures</u>					
Property, plant and equipment & investment property	27,767	41,860	37	456	70,120
Intangible assets	300	96	9	304	709
Total capital expenditures	28,067	41,956	46	760	70,829
Depreciation expense	19,553	2,536	902	25,412	48,403
Amortisation	636	32	32	59	759

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

3. SEGMENTAL INFORMATION (cont'd)

a) Business segments (cont'd)

	1 April - 30 June 2015					Consolidated
	Construction contracts	Rental	Trade and manufacturing	Energy	Eliminations	
Revenues	349,129	94,676	76,798	663,352	-	1,183,955
Inter-segment revenues	28,644	-	2,818	7,791	(39,253)	-
Cost of revenues (-)	(301,147)	(26,529)	(62,531)	(595,942)	-	(986,149)
Inter-segment cost of revenues (-)	(29,367)	-	(2,818)	(7,791)	39,976	-
Gross profit	47,259	68,147	14,267	67,410	723	197,806
Administrative expenses (-)	(19,535)	(3,596)	(4,969)	(2,500)	253	(30,347)
Marketing expenses (-)	(5,882)	(1,644)	(3,237)	21	-	(10,742)
Other operating income	2,920	1,465	57	1,402	-	5,844
Other operating expenses (-)	(6,254)	(286)	(1,006)	(30)	37	(7,539)
Profit from operations	18,508	64,086	5,112	66,303	1,013	155,022
Investment income	32,929	1	2,193	71	-	35,194
Investment expenses (-)	(13,494)	(123)	15	-	-	(13,602)
Profit from operations before financial income / (expenses)	37,943	63,964	7,320	66,374	1,013	176,614
Financial income	6,824	1,654	3,155	1,397	(1,145)	11,885
Financial expenses (-)	12,950	(3,172)	(631)	(96)	1,019	10,070
Profit before tax	57,717	62,446	9,844	67,675	887	198,569
Current tax expense (-)	(15,637)	(9,507)	(3,568)	(9,087)	-	(37,799)
Deferred taxation income/ (expenses)	1,770	640	1,525	(5,722)	-	(1,787)
Profit for the period from continuing operations	43,850	53,579	7,801	52,866	887	158,983

	1 April - 30 June 2015				Consolidated
	Construction contracts	Rental	Trade and manufacturing	Energy	
Other segment information					
<u>Capital expenditures</u>					
Property, plant and equipment & investment property	18,624	16,565	23	135	35,347
Intangible assets	132	6	-	24	162
Total capital expenditures	18,756	16,571	23	159	35,509
Depreciation expense	11,581	890	428	12,769	25,668
Amortisation	321	13	(7)	30	357

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

3. SEGMENTAL INFORMATION (cont'd)

b) Geographical segments

1 January - 30 June 2016						
	Turkey	Russian Federation, Kazakhstan and Georgia	Iraq	Other	Eliminations	Consolidated
Net sales	1,135,788	341,388	191,638	173,422	-	1,842,236
Inter-segment sales	29,665	15,798	-	-	(45,463)	-
Capital expenditures	45,244	25,291	8,122	881	-	79,538
30 June 2016						
	Turkey	Russian Federation, Kazakhstan and Georgia	Iraq	Other	Eliminations	Consolidated
Segmental assets	4,061,918	2,183,964	141,935	1,053,750	-	7,441,567
1 April - 30 June 2016						
	Turkey	Russian Federation, Kazakhstan and Georgia	Iraq	Other	Eliminations	Consolidated
Net sales	567,039	180,038	74,173	116,643	-	937,893
Inter-segment sales	17,760	11,111	-	-	(28,871)	-
Capital expenditures	21,161	14,442	7,500	228	-	43,331
1 January - 30 June 2015						
	Turkey	Russian Federation, Kazakhstan and Georgia	Iraq	Other	Eliminations	Consolidated
Net sales	1,792,320	309,305	241,138	121,863	-	2,464,626
Inter-segment sales	36,474	33,599	-	-	(70,073)	-
Capital expenditures	18,241	46,897	3,801	1,890	-	70,829
31 December 2015						
	Turkey	Russian Federation, Kazakhstan and Georgia	Iraq	Other	Eliminations	Consolidated
Segmental assets	3,816,537	2,042,646	220,170	1,065,167	-	7,144,520
1 April - 30 June 2015						
	Turkey	Russian Federation, Kazakhstan and Georgia	Iraq	Other	Eliminations	Consolidated
Net sales	849,435	136,098	145,675	52,747	-	1,183,955
Inter-segment sales	23,291	15,961	-	-	(39,252)	-
Capital expenditures	11,405	20,401	2,249	1,454	-	35,509