## AKSA AKRİLİK KİMYA SANAYİİ A.Ş.

CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2016

(ORIGINALLY ISSUED IN TURKISH)

# CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

### AKSA AKRİLİK KİMYA SANAYİİ A.Ş.

#### CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2016

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

	30 September 2016 USD (*)	30 September 2016 TL	31 December 2015 TL
ASSETS			
<b>Current Assets</b>	385.997	1.156.408	1.075.543
Cash and cash equivalents Trade receivable	111.835	335.047	342.810
- Other trade receivables	124.670	373.499	275.326
- Due from related parties	58.915	176.503	192.501
Other receivables			
- Due from related parties	24	71	11.089
- Other receivables	149	446	257
Derivatives	1.402	4.200	7.189
Inventories	63.960	191.617	185.074
Prepaid expenses	8.995	26.951	10.482
Other current assets	16.047	48.074	50.815
Non-current Assets	391.999	1.174.391	1.178.532
Other receivables			
- Due from related parties	29.943	89.705	79.456
Derivative financial instruments	-	-	535
Joint ventures accounted for			
by the equity method	68.480	205.159	243.337
Investment property	15.845	47.471	48.418
Property, plant and equipment	244.404	732.209	718.574
Intangible assets	26.524	79.465	82.956
Prepaid expenses	6.803	20.382	5.256
TOTAL ASSETS	777.996	2.330.799	2.254.075

<sup>(\*)</sup> US Dollar ("USD") amounts presented above have been translated from Turkish Lira ("TL") for convenience purposes only, at the official TL bid rate announced by the Central Bank of the Republic of Turkey ("CBRT") at 30 September 2016, and therefore do not form part of these consolidated financial statements.

# CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

### AKSA AKRİLİK KİMYA SANAYİİ A.Ş.

#### CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2016

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

LIABILITIES	30 September 2016 USD (*)	30 September 2016 TL	31 December 2015 TL
Current liabilities	299.954	898.634	751.107
Short-term financial liabilities	142.568	427.120	337.407
Short-term portion of long-term financial liabilities	25.149	75.344	70.886
Trade payables			
- Other trade payables	111.052	332.700	277.895
- Due to related parties	10.323	30.928	27.510
Payables due for employee benefits	1.004	3.008	2.243
Other payables	100	5.62	500
- Other payables	188	563	508
Derivative financial instruments Deferred income	26 1.486	78 4.453	7.108
Taxes on income – Income tax payable	5.007	15.000	14.544
Short-term provisions	3.007	13.000	14.544
- Short-term provisions for employee benefits	2.479	7.426	10.793
- Other short-term provisions	672	2.014	2.213
Non-current Liabilities	68.865	206.311	254.372
Financial liabilities	55.921	167.533	212.946
Trade payables			
- Due to related parties	2.438	7.303	13.974
Derivative financial instruments	28	82	-
Long-term provisions			
- Provision for employment termination benefits	7.663	22.959	20.226
Deferred income tax liabilities	2.815	8.434	7.226
Total Liabilities	368.819	1.104.945	1.005.479
EQUITY	409.177	1.225.854	1.248.596
Attributable to Equity Holders of the Parent	409.167	1.225.825	1.248.548
Share capital	61.751	185.000	185.000
Adjustment to share capital	65.147	195.175	195.175
Share premium	15	44	44
Actuarial gain/loss	(2.016)	(6.041)	(5.194)
Currency translation differences	41.344	123.864	120.438
Hedge funds	(73)	(218)	330
Restricted reserves	40.951	122.685	107.501
Retained earnings	156.541	468.981	445.779
Net income for the year	45.507	136.335	199.475
Non-controlling Interests	10	29	48
TOTAL LIABILITIES AND		2 220 500	2 254 055
SHAREHOLDERS' EQUITY	777.996	2.330.799	2.254.075

<sup>(\*)</sup> USD amounts presented above have been translated from Turkish Lira ("TL") for convenience purposes only, at the official TL bid rate announced by the CBRT at 30 September 2016, and therefore do not form part of these consolidated financial statements.

# CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

### AKSA AKRİLİK KİMYA SANAYİİ A.Ş.

#### CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2016

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

Gross profit         109.845         321.930         288.601           General administrative expenses (-)         (13.883)         (40.687)         (30.883)           Marketing, selling and distribution expenses (-)         (13.248)         (38.826)         (42.411)           Research and development expenses (-)         (14.181)         (4.155)         (3.382)           Other operating income         20.416         59.834         172.698           Other operating expenses (-)         (14.303)         (41.920)         (100.038)           Operating profit         87.409         256.176         284.585           Share of profit/loss of investment in Joint Venture         (14.488)         (42.461)         (43.266)         122.809           Financial income         46.608         136.506         122.809         157.160)         (167.523)         (191.479)           Profit before tax         62.369         182.788         172.649           Taxation expense on income:         (15.331)         (44.933)         (48.552)           - Deferred tax (charge) / benefit         (525)         (1.539)         10.439           Net income for the year         46.513         136.316         134.541           Non-controlling interests         (6)         (19)         (5	Note	es 2016 USD (*)	2016 TL	2015 TL
Cost of sales (-)         (374,793)         (1.098.431)         (1.268.738)           Gross profit         109.845         321,930         288.601           General administrative expenses (-)         (13.883)         (40.687)         (30.883)           Marketing, selling and distribution expenses (-)         (13.248)         (38.826)         (42.411)           Research and development expenses (-)         (14.118)         (41.155)         (3.382)           Other operating income         20.416         59.834         172.698           Other operating expenses (-)         (14.303)         (41.920)         (100.038)           Operating profit         87.409         256.176         284.585           Share of profit/loss of investment in Joint Venture         (14.488)         (42.461)         (43.266)           Financial income         46.608         136.596         122.809           Financial expenses (-)         (57.160)         (167.523)         (191.479)           Profit before tax         62.369         182.788         172.649           Tename tax expense         (15.331)         (44.933)         (48.552)           - Deferred tax (charge) / benefit         (525)         (1.539)         10.439           Net income for the period attributable to: <t< td=""><td>Continuing operations</td><td></td><td></td><td></td></t<>	Continuing operations			
Cost of sales (-)         (374,793)         (1.098.431)         (1.268.738)           Gross profit         109.845         321,930         288.601           General administrative expenses (-)         (13.883)         (40.687)         (30.883)           Marketing, selling and distribution expenses (-)         (13.248)         (38.826)         (42.411)           Research and development expenses (-)         (14.118)         (41.155)         (3.382)           Other operating income         20.416         59.834         172.698           Other operating expenses (-)         (14.303)         (41.920)         (100.038)           Operating profit         87.409         256.176         284.585           Share of profit/loss of investment in Joint Venture         (14.488)         (42.461)         (43.266)           Financial income         46.608         136.596         122.809           Financial expenses (-)         (57.160)         (167.523)         (191.479)           Profit before tax         62.369         182.788         172.649           Tename tax expense         (15.331)         (44.933)         (48.552)           - Deferred tax (charge) / benefit         (525)         (1.539)         10.439           Net income for the period attributable to: <t< td=""><td>Sales</td><td>484.638</td><td>1.420.361</td><td>1.557.339</td></t<>	Sales	484.638	1.420.361	1.557.339
General administrative expenses (-)				(1.268.738)
Marketing, selling and distribution expenses (-)         (13.248)         (38.826)         (42.411)           Research and development expenses (-)         (1.418)         (4.155)         (3.382)           Other operating income         20.416         59.834         172.698           Other operating expenses (-)         (14.303)         (41.920)         (100.038)           Operating profit         87.409         256.176         284.585           Share of profit/loss of investment in Joint Venture         (14.488)         (42.461)         (43.266)           Financial income         46.608         136.596         122.809           Financial expenses (-)         (57.160)         (167.523)         (191.479)           Profit before tax         62.369         182.788         172.649           Taxation expense on income:	Gross profit	109.845	321.930	288.601
distribution expenses (-)         (13.248)         (38.826)         (42.411)           Research and development expenses (-)         (1.418)         (4.155)         (3.382)           Other operating income         20.416         59.834         172.698           Other operating expenses (-)         (14.303)         (41.920)         (100.038)           Operating profit         87.409         256.176         284.585           Share of profit/loss of investment in Joint Venture         (14.488)         (42.461)         (43.266)           Financial income         46.608         136.596         122.809           Financial expenses (-)         (57.160)         (167.523)         (191.479)           Profit before tax         62.369         182.788         172.649           Taxation expense on income:         -         -         -         127.809         191.479           Profit before tax         62.369         182.788         172.649         126.499         126.499         191.479         191.479         191.479         191.479         191.479         191.479         191.479         191.479         191.479         191.479         191.479         191.479         191.479         191.479         191.479         191.479         191.479         191.479		(13.883)	(40.687)	(30.883)
Research and development expenses (-)         (1.418)         (4.155)         (3.382)           Other operating income         20.416         59.834         172.698           Other operating expenses (-)         (14.303)         (41.920)         (100.038)           Operating profit         87.409         256.176         284.585           Share of profit/loss of investment in Joint Venture         (14.488)         (42.461)         (43.266)           Financial income         46.608         136.596         122.809           Financial expenses (-)         (57.160)         (167.523)         (191.479)           Profit before tax         62.369         182.788         172.649           Taxation expenses on income:           - Income tax expense         (15.331)         (44.933)         (48.552)           - Deferred tax (charge) / benefit         (525)         (1.539)         10.439           Net income for the year         46.513         136.316         134.536           Net income for the period attributable to:           Equity holders of the parent         46.513         136.316         134.541           Non-controlling interests         (6)         (19)         (5)           Changes in fair value of derivative financi				
Other operating income Other operating expenses (-)         20.416 (14.303)         59.834 (41.920)         172.698 (100.038)           Operating profit         87.409         256.176         284.585           Share of profit/loss of investment in Joint Venture         (14.488)         (42.461)         (43.266)           Financial income         46.608         136.596         122.809           Financial expenses (-)         (57.160)         (167.523)         (191.479)           Profit before tax         62.369         182.788         172.649           Taxation expense on income:		` '		
Other operating expenses (-)         (14.303)         (41.920)         (100.038)           Operating profit         87.409         256.176         284.585           Share of profit/loss of investment in Joint Venture         (14.488)         (42.461)         (43.266)           Financial income         46.608         136.596         122.809           Financial expenses (-)         (57.160)         (167.523)         (191.479)           Profit before tax         62.369         182.788         172.649           Taxation expense on income:           - Income tax expense         (15.331)         (44.933)         (48.552)           - Deferred tax (charge) / benefit         (525)         (1.539)         10.439           Net income for the year         46.513         136.316         134.536           Net income for the period attributable to:         Equity holders of the parent         46.519         136.335         134.541           Non-controlling interests         (6)         (19)         (5)           Charges in fair value of derivative financial instruments         (187)         (548)         (491)           Charges in fair value of derivative financial instruments         (187)         (548)         (491)           Currency translation differences			, ,	
Operating profit         87.409         256.176         284.585           Share of profit/loss of investment in Joint Venture         (14.488)         (42.461)         (43.266)           Financial income         46.608         136.596         122.809           Financial expenses (-)         (57.160)         (167.523)         (191.479)           Profit before tax         62.369         182.788         172.649           Taxation expense on income:				
Share of profit/loss of investment in Joint Venture       (14.488)       (42.461)       (43.266)         Financial income       46.608       136.596       122.809         Financial expenses (-)       (57.160)       (167.523)       (191.479)         Profit before tax       62.369       182.788       172.649         Taxation expense on income: <ul> <li>Income tax expense</li> <li>(15.331)</li> <li>(44.933)</li> <li>(48.552)</li> <li>2.59</li> <li>(1.539)</li> <li>10.439</li> </ul> Net income for the year     46.513       136.316       134.536         Net income for the period attributable to:       Equity holders of the parent       46.519       136.335       134.541         Non-controlling interests       (6)       (19)       (5)         46.513       136.316       134.536         Earnings per share for equity holders of the parent (Kr)       0,25       0,74       0,73         Other comprehensive income/(expense):       (187)       (548)       (491)         Currency translation differences       1,169       3,426       72,085         Actuarial gain/loss       (289)       (847)       1,197         Total comprehensive income       47,206       138,347       207,327 </td <td>Other operating expenses (-)</td> <td>(14.303)</td> <td>(41.920)</td> <td>(100.038)</td>	Other operating expenses (-)	(14.303)	(41.920)	(100.038)
Financial income         46.608         136.596         122.809           Financial expenses (-)         (57.160)         (167.523)         (191.479)           Profit before tax         62.369         182.788         172.649           Taxation expense on income:	Operating profit	87.409	256.176	284.585
Financial expenses (-)         (57.160)         (167.523)         (191.479)           Profit before tax         62.369         182.788         172.649           Taxation expense on income:	Share of profit/loss of investment in Joint Venture	(14.488)	(42.461)	(43.266)
Profit before tax         62.369         182.788         172.649           Taxation expense on income:	Financial income	46.608	136.596	122.809
Taxation expense on income:	Financial expenses (-)	(57.160)	(167.523)	(191.479)
- Income tax expense	Profit before tax	62.369	182.788	172.649
- Income tax expense	Taxation expense on income:			
Deferred tax (charge)   benefit   (525) (1.539)   10.439     Net income for the year   46.513   136.316   134.536     Net income for the period attributable to:   Equity holders of the parent   46.519   136.335   134.541     Non-controlling interests   (6) (19) (5)     46.513   136.316   134.536     Earnings per share for equity holders of the parent (Kr)   0,25   0,74   0,73     Other comprehensive income/(expense):   Changes in fair value of derivative financial instruments   (187) (548) (491)     Currency translation differences   1.169   3.426   72.085     Actuarial gain/loss   (289) (847)   1.197     Total comprehensive income   47.206   138.347   207.327     Total comprehensive income attributable to:   Equity holders of the parent   47.212   138.366   207.332     Non-controlling interests   (6) (19) (5)		(15.331)	(44.933)	(48.552)
Net income for the period attributable to:           Equity holders of the parent         46.519         136.335         134.541           Non-controlling interests         (6)         (19)         (5)           46.513         136.316         134.536           Earnings per share for equity holders of the parent (Kr)         0,25         0,74         0,73           Other comprehensive income/(expense):         Changes in fair value of derivative financial instruments         (187)         (548)         (491)           Currency translation differences         1.169         3.426         72.085           Actuarial gain/loss         (289)         (847)         1.197           Total comprehensive income         47.206         138.347         207.327           Total comprehensive income attributable to:         Equity holders of the parent         47.212         138.366         207.332           Non-controlling interests         (6)         (19)         (5)		` '	* *	10.439
Equity holders of the parent Non-controlling interests       46.519       136.335       134.541         Non-controlling interests       46.513       136.316       134.536         Earnings per share for equity holders of the parent (Kr)       0,25       0,74       0,73         Other comprehensive income/(expense):         Changes in fair value of derivative financial instruments       (187)       (548)       (491)         Currency translation differences       1.169       3.426       72.085         Actuarial gain/loss       (289)       (847)       1.197         Total comprehensive income       47.206       138.347       207.327         Total comprehensive income attributable to:       Equity holders of the parent       47.212       138.366       207.332         Non-controlling interests       (6)       (19)       (5)	Net income for the year	46.513	136.316	134.536
Equity holders of the parent Non-controlling interests       46.519       136.335       134.541         Non-controlling interests       46.513       136.316       134.536         Earnings per share for equity holders of the parent (Kr)       0,25       0,74       0,73         Other comprehensive income/(expense):         Changes in fair value of derivative financial instruments       (187)       (548)       (491)         Currency translation differences       1.169       3.426       72.085         Actuarial gain/loss       (289)       (847)       1.197         Total comprehensive income       47.206       138.347       207.327         Total comprehensive income attributable to:       Equity holders of the parent       47.212       138.366       207.332         Non-controlling interests       (6)       (19)       (5)	Net income for the period attributable to:			
Non-controlling interests         (6)         (19)         (5)           46.513         136.316         134.536           Earnings per share for equity holders of the parent (Kr)         0,25         0,74         0,73           Other comprehensive income/(expense):         Changes in fair value of derivative financial instruments         (187)         (548)         (491)           Currency translation differences         1.169         3.426         72.085           Actuarial gain/loss         (289)         (847)         1.197           Total comprehensive income         47.206         138.347         207.327           Total comprehensive income attributable to:         Equity holders of the parent         47.212         138.366         207.332           Non-controlling interests         (6)         (19)         (5)		46.519	136.335	134.541
46.513       136.316       134.536         Earnings per share for equity holders of the parent (Kr)       0,25       0,74       0,73         Other comprehensive income/(expense):         Changes in fair value of derivative financial instruments       (187)       (548)       (491)         Currency translation differences       1.169       3.426       72.085         Actuarial gain/loss       (289)       (847)       1.197         Total comprehensive income       47.206       138.347       207.327         Total comprehensive income attributable to:         Equity holders of the parent       47.212       138.366       207.332         Non-controlling interests       (6)       (19)       (5)				(5)
Of the parent (Kr)       0,25       0,74       0,73         Other comprehensive income/(expense):         Changes in fair value of derivative financial instruments       (187)       (548)       (491)         Currency translation differences       1.169       3.426       72.085         Actuarial gain/loss       (289)       (847)       1.197         Total comprehensive income       47.206       138.347       207.327         Total comprehensive income attributable to:       Equity holders of the parent       47.212       138.366       207.332         Non-controlling interests       (6)       (19)       (5)		46.513	136.316	134.536
Of the parent (Kr)       0,25       0,74       0,73         Other comprehensive income/(expense):         Changes in fair value of derivative financial instruments       (187)       (548)       (491)         Currency translation differences       1.169       3.426       72.085         Actuarial gain/loss       (289)       (847)       1.197         Total comprehensive income       47.206       138.347       207.327         Total comprehensive income attributable to:       Equity holders of the parent       47.212       138.366       207.332         Non-controlling interests       (6)       (19)       (5)	Earnings per share for equity holders			
Changes in fair value of derivative financial instruments       (187)       (548)       (491)         Currency translation differences       1.169       3.426       72.085         Actuarial gain/loss       (289)       (847)       1.197         Total comprehensive income       47.206       138.347       207.327         Total comprehensive income attributable to:       Equity holders of the parent       47.212       138.366       207.332         Non-controlling interests       (6)       (19)       (5)		0,25	0,74	0,73
financial instruments       (187)       (548)       (491)         Currency translation differences       1.169       3.426       72.085         Actuarial gain/loss       (289)       (847)       1.197         Total comprehensive income       47.206       138.347       207.327         Total comprehensive income attributable to:       Equity holders of the parent       47.212       138.366       207.332         Non-controlling interests       (6)       (19)       (5)	Other comprehensive income/(expense):			
financial instruments       (187)       (548)       (491)         Currency translation differences       1.169       3.426       72.085         Actuarial gain/loss       (289)       (847)       1.197         Total comprehensive income       47.206       138.347       207.327         Total comprehensive income attributable to:       Equity holders of the parent       47.212       138.366       207.332         Non-controlling interests       (6)       (19)       (5)	Changes in fair value of derivative			
Currency translation differences       1.169       3.426       72.085         Actuarial gain/loss       (289)       (847)       1.197         Total comprehensive income       47.206       138.347       207.327         Total comprehensive income attributable to:       Equity holders of the parent       47.212       138.366       207.332         Non-controlling interests       (6)       (19)       (5)		(187)	(548)	(491)
Actuarial gain/loss         (289)         (847)         1.197           Total comprehensive income         47.206         138.347         207.327           Total comprehensive income attributable to:         Equity holders of the parent         47.212         138.366         207.332           Non-controlling interests         (6)         (19)         (5)		` ,	` '	, ,
Total comprehensive income attributable to: Equity holders of the parent 47.212 138.366 207.332 Non-controlling interests (6) (19) (5)				1.197
Equity holders of the parent       47.212       138.366       207.332         Non-controlling interests       (6)       (19)       (5)	Total comprehensive income	47.206	138.347	207.327
Equity holders of the parent       47.212       138.366       207.332         Non-controlling interests       (6)       (19)       (5)	m			
Non-controlling interests (6) (19)		47.010	120.266	207.222
47.206 138.347 207.327	Non-controlling interests	(6)	(19)	(5)
		47.206	138.347	207.327

<sup>(\*)</sup> USD amounts presented above have been translated from TL for convenience purposes only, at the USD average CBRT bid rates for the period ended 30 September 2016, and therefore do not form part of these consolidated financial statements.