

**KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE
TİCARET A.Ş. AND IT'S SUBSIDIARIES**

*INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD
BETWEEN 1 JANUARY - 30 SEPTEMBER 2014*

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2014
(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

		Reviewed	Audited
		Current Period	Previous Period
ASSETS	Notes	30.09.2014	31.12.2013
Current Assets		174.354.797	202.128.694
Cash and Cash Equivalents	6	2.388.482	6.227.985
Financial Investment			
Trade Receivables		77.996.822	91.552.913
- Trade Receivables from Related Parties	9	1.243.003	3.177.953
- Trade Receivables from 3rd Parties	9	76.753.819	88.374.960
Receivables from Finance Sector Activities			
- Finance Sector Activities Receivables from Related Parties			
- Finance Sector Activities Receivables from 3rd Parties			
Other Receivables		3.307.339	3.675.427
- Other Receivables from Related Parties			
- Other Receivables from 3rd Parties	10	3.307.339	3.675.427
Derivative Financial Instruments			
Inventories	11	75.013.315	82.777.457
Prepaid Expenses	12	7.553.653	10.055.338
Current Assets Related with Current Period Tax		5.797	669.747
Other Current Assets	20	8.089.389	7.169.826
DEC TOTAL			
Current Assets Classified as for Sale			
Non - Current Assets		43.356.287	36.525.682
Financial Investment		-	-
Trade Receivables			
- Trade Receivables from Related Parties		-	-
- Trade Receivables from 3rd Parties		-	-
Receivables from Finance Sector Activities			
- Finance Sector Activities Receivables from Related Parties		-	-
- Finance Sector Activities Receivables from 3rd Parties		-	-
Other Receivables		36.761	40.686
- Other Receivables from Related Parties			
- Other Receivables from 3rd Parties	10	36.761	40.686
Derivative Financial Instruments			
Investments Valuated with Equity Method			
Investment Property	14	8.749.957	6.559.614
Tangible Fixed Assets	15	27.572.722	24.630.173
Intangible Fixed Assets	16	3.272.492	2.753.651
- Goodwill	17	1.759.039	1.759.039
- Other Intangible Fixed Assets		1.513.453	994.612
Prepaid Expenses	12	3.725	16.785
Deferred Tax Assets	22	3.720.630	2.524.773
Other Noncurrent Assets			
TOTAL ASSETS		217.711.084	238.654.376

The accompanying accounting policies and explanatory notes are an integral part of these statements

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2014
(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated.)

		Reviewed	Audited
	Notes	Current Period	Previous Period
LIABILITIES		30.09.2014	31.12.2013
Current Liabilities		122.739.158	165.163.972
Short Term Borrowings	8	55.811.592	104.835.223
Short Term Parts of Long Term Borrowings			
Other Financial Liabilities		1.850.496	
Trade Payables		34.367.184	34.524.656
- Due to Related Parties	9	507.416	399.209
- Other Trade Payables	9	33.859.768	34.125.447
Employee Benefits	19	1.840.591	1.432.461
Other Payables		721.879	551.948
- Due to Related Parties		0	
- Other Payables	10	721.879	551.948
Derivative Financial Instruments			
Government Grants			
Deffered Income		27.188.860	23.106.345
Taxes on Income	22		
Short Term Provisions		958.556	713.339
-Short Term Provisions of Employee Benefits	19	527.904	443.795
- Other Short-Term Provisions		430.652	269.544
Other Current Liabilities			
Liabilities regarding Assets Classified for Sale			
Long Term Liabilities		52.239.172	40.868.088
Long Term Borrowings	8	46.986.430	36.555.642
Long-term provisions		2.036.807	1.747.700
- Employee Benefits Related to Long-Term Provisions	19	2.036.807	1.747.700
- Other Long Term Provisions			
Liabilities Related to Current Tax			
Deferred Tax Liability	22	3.215.935	2.564.746
Other Noncurrent Liabilities			
EQUITY CAPITAL		42.732.754	32.622.316
EQUITY CAPITAL OF PARENT COMPANY		39.647.487	29.816.696
Paid-in Capital	21	25.000.000	25.000.000
Difference from Share Capital Adjustment			
Reacquired Shares (-)	21	(38.827)	
Other Comprehensive Income or			
Expenses not to be reclassified on Profit or Loss		7.027.601	4.084.030
- Revaluation and Masurement Income/Loss	21	7.309.143	4.322.860
- Identified Benefit Plans Reclasification Income/Loss		(281.542)	(238.830)
- Other Income/Loss			-
Other Comprehensive Income or			
Expenses to be reclassified on Profit or Loss			
- Foreign Exchange Difference			-
- Hedging Income/Loss			-
- Revaluation and Masurement Income/Loss			-
- Other Income/Loss			-
Restricted Reserves	21	2.061.453	2.061.453
Retained Earnings	21	(1.328.775)	6.883.818
Net Profit of The Period	23	6.926.035	(8.212.605)
Minory Interest	21	3.085.267	2.805.620
TOTAL LIABILITIES		217.711.084	238.654.376

The accompanying accounting policies and explanatory notes are an integral part of these consolidated statements

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE PERIODS ENDED SEPTEMBER 30,2014 AND 2013
(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

		Reviewed			
		Current Period	Previous Period	Current Period	Previous Period
	Notes	01.01.2014 - 30.09.2014	01.01.2013 - 30.09.2013	01.07.2014 - 30.09.2014	01.07.2013 - 30.09.2013
CONTINUING OPERATIONS					
Sales		126.104.698	98.943.761	35.124.666	45.673.725
Cost of Sales (-)		(103.653.567)	(76.051.386)	(26.626.277)	(34.008.494)
GROSS PROFIT/(LOSS)		22.451.131	22.892.375	8.498.389	11.665.231
General Administrative Expenses (-)		(6.689.210)	(6.259.618)	(1.826.606)	(2.540.309)
Marketing Expenses (-)		(6.701.229)	(10.257.306)	(1.995.104)	(4.971.081)
Research and Development Expenses (-)			-		
Incomes From Other Operations		10.407.468	9.787.990	7.119.370	4.595.139
Expenses From Other Operations (-)		(7.175.901)	(4.867.039)	(6.469.298)	(1.806.779)
OPERATING PROFIT/ (LOSS)		12.292.259	11.296.402	5.326.751	6.942.201
Income from Investing activities		2.320.668	1.794.179	(36.105)	11.579
Expenses from Investing activities (-)		-	-	-	-
BEFORE FINANCING INCOME AND EXPENSES OPERATING INCOME / (LOSS)		14.612.927	13.090.581	5.290.646	6.953.780
Financial Incomes		6.429.757	3.014.341	(2.165.339)	1.172.661
Financial Expenses (-)		(14.682.135)	(23.063.286)	(2.234.411)	(11.149.050)
PROFIT/ (LOSS) BEFORE PROVISION FOR TAXES		6.360.549	(6.958.364)	890.896	(3.022.609)
Tax Income/(Expense) From Operating Activities		396.766	(53.127)	68.800	(85.167)
-Tax For Period	22	(294.632)	(83.916)	(186.895)	(43.119)
-Deferred Tax Income/ (Expense)	22	691.398	30.789	255.695	(42.048)
NET PROFIT/ (LOSS) FOR THE PERIOD		6.757.315	(7.011.491)	959.696	(3.107.776)
Profit / (Loss) Attributable to:		6.757.315	(7.011.491)	959.696	(3.107.776)
- Non-Controlling Interests		(168.720)	225.428	158.607	131.187
- Parent Company Shares	23	6.926.035	(7.236.919)	801.089	(3.238.963)
Earnings Per Share					
- Earnings Per Share from Continuing Operations		0,28	(0,29)	0,03	(0,13)
- Diluted Earnings Per Share from Continuing Operations		0,28	(0,29)	0,03	(0,13)
NET PROFIT / (LOSS)		6.757.315	(7.011.491)	959.696	(3.107.776)
Things not to be reclassified in profit or loss		3.258.532	4.529.309	101.102	(950)
Revaluation of Tangible Assets Increase / (Decrease)	21	3.147.593	4.556.519		
Revaluation of Intangible Assets Increase / (Decrease)					
Defined Benefit Plans Remeasurement Gains / Losses		92.449	(34.013)	80.153	(1.188)
Taxes Related with Defined Benefit Plans Remeasurement Gain / Loss					
- Current Tax (Expense) / Income)					
- Deferred tax (expense) / income)					
Valued by Equity Method of Other Comprehensive Income of Subsidiaries shares to Profit / (Loss)					
Classification					
Other profit or loss as a reclassification to Other Comprehensive Income Components		18.490	6.803	20.949	238
- Current Tax (Expense) / Income)					
- Deferred tax (expense) / income)		18.490	6.803	20.949	238
Things to be reclassified in profit or loss		(161.310)	(233.659)	-	-
Foreign Exchange Difference					
Cash Flow Hedging Income/Loss					
Valued by Equity Method of Other Comprehensive Income of Subsidiaries shares to Profit / (Loss)					
Classification					
Other profit or loss as a reclassification to Other Comprehensive Income Components					
Reclassification to profit or loss in other comprehensive income Taxes on Income / (Expense)		(161.310)	(233.659)		
- Current Tax (Expense) / Income)					
- Deferred tax (expense) / income)		(161.310)	(233.659)		
OTHER COMPREHENSIVE INCOME (AFTER TAX)		3.097.222	4.295.650	101.102	(950)
TOTAL COMPREHENSIVE INCOME		9.854.537	(2.715.841)	1.060.798	(3.108.726)
Comprehensive Income Attributable to:		9.854.537	(2.715.841)	1.060.798	(3.108.726)
Non-Controlling Interests		(72.477)	3.712.474	174.413	132.499
Parent Company Shares		9.927.014	(6.428.315)	886.385	(3.241.225)

The accompanying accounting policies and explanatory notes are an integral part of these statements

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

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

Notes						Other Comprehensive Profit/(Loss) Not to be Reclassified on Profit or Loss		Other Comprehensive Profit/(Loss) to be Reclassified on Profit or Loss				Retained Earnings		Notes				
Notes	Paid-in	Capital	Reaccured Gains	Subsidiary Capital Adjustment	Special Fund	Identified Benefit Plans	Other Profit / (Loss)	Foreign Currency	Hedging Profit / (Loss)	Revaluation and Remeasurement	Other Profit / (Loss)	Restricted Reserves	Retained Profit/(Loss)	Net Period Profit/(Loss)		Parent	Non controlling	
	Capital	Adjustment Difference				Reclassification Income/Loss		Conversion Adjustments		Gain/(Loss)					Revaluation Increase	Equity	Shares	Equity
21	25,000,000					(303,708)						1,162,896	3,511,201	9,271,174		38,641,563	1,378,579	40,020,142
																-	-	-
													9,271,174	(9,271,174)		-	-	-
						54,838								(7,236,920)		(7,182,082)	225,428	(6,956,654)
												898,557	(898,557)			-	-	-
													(5,000,000)			(5,000,000)		(5,000,000)
															4,322,860	4,322,860	1,137,208	5,460,068
																-	-	-
21	25,000,000	-	-	-	-	(248,870)	-	-	-	-	-	2,061,453	6,883,818	(7,236,920)	4,322,860	30,782,341	2,741,215	33,523,556
21	25,000,000	-	-	-	-	(238,830)	-	-	-	-	-	2,061,453	6,883,818	(8,212,605)	4,322,860	29,816,696	2,805,620	32,622,316
													12			12		12
													(8,212,605)	8,212,605		-		-
21			(38,827)			(42,712)								6,926,035		6,883,323	(168,720)	6,714,603
																(38,827)		(38,827)
															2,986,283	2,986,283	448,367	3,434,650
																-	-	-
21	25,000,000	-	(38,827)	-	-	(281,542)	-	-	-	-	-	2,061,453	(1,328,775)	6,926,035	7,309,143	39,647,487	3,085,267	42,732,754

The accompanying accounting policies and explanatory notes are an integral part of these statements

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASHFLOW PERIODS ENDED SEPTEMBER 30,2014 AND 2013
(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated.)

		Reviewed	
		Current Period	Previous Period
Notes		01.01.2014 - 30.09.2014	01.01.2013 - 30.09.2013
A.CASH FLOWS FROM OPERATING ACTIVITIES		37.277.788	(42.623.007)
Net profit/ (loss) for period		6.926.035	(7.011.492)
Adjustments to reconcile Profit / (Loss) :		3.621.822	7.642.905
- Depreciation and amortization Adjustments		789.388	742.497
- Impairment / Cancel Adjustments	11	(3.634)	
- Provisions Adjustments	18	(302.562)	559.659
- Interest Income and Expense Adjustments		(75.280)	673.293
-Unrealized Foreign Exchange Gains / Losses Adjustments		5.927.465	
- Fair Value (Loss) / Gain Adjustments		(2.190.343)	
Exchange Difference Gain / (Loss)			
Terminated Provisions			
- Tax Expense / Income Adjustments			
- Disposal of fixed assets Related to Loss / Gain Adjustments		(126.446)	(14.926)
- Other Instruments related with Investments or Financing Activities Adjustments			
- Profit / Loss Other Adjustments Related to Reconciliation		(396.766)	5.682.382
Changes on Capital		27.646.851	(41.519.124)
- Inventory Increase / Decrease Adjustments	11	7.764.142	(22.416.183)
- Trade Receivables Increase / Decrease Adjustments	9	13.556.091	(12.927.431)
- Receivables form Finance Sector Activities Increase / Decrease Adjustments			
- Receivables form Other Activities Increase / Decrease Adjustments		368.088	2.811.321
- Trade Payables Increase / Decrease Adjustments	9	(157.472)	(10.045.662)
- Payables form Finance Sector Activities Increase / Decrease Adjustments			
- Payables form Other Activities Increase / Decrease Adjustments		169.931	(1.012.768)
- Capital Increase / Decrease Adjustments		5.946.071	2.071.599
Cash Flows from Operations		38.194.708	(40.887.711)
Interest Payments			
Interest Gain			
Tax Payments/Returns		663.951	(1.305.556)
Other Cash Inflows / Outflows		(1.580.871)	(429.740)
B. CASHFLOW PROVIDED BY INVESTING ACTIVITIES		(843.929)	(343.269)
Cash Inflows from Sales of Tangible and Intangible Assets		401.000	45.000
Cash Outflows from Sales of Tangible and Intangible Assets		(1.322.883)	(388.269)
Cash Inflows from Sales of Other Long Term Assets			
Cash Outflows from Purchase of Other Long Term Assets			
Cash Inflows from Government Grants		77.954	
Tax Payments / Returns			
Other Cash Inflows/Outflows			
C. CASHFLOW PROVIDED BY FINANCING ACTIVITIES		(40.273.361)	47.895.797
Cash Outflows from Buying Shares and Other Equity Instruments			
Cash Inflows from Borrowings		106.873.866	188.153.746
Cash Outflows from Borrowing Payments		(143.847.919)	(133.492.450)
Cash Outflows from Borrowing Payments of Leasing Agreements		(588.941)	(501.246)
Cash Inflows from Government Grants			
Dividend Payments			(4.250.000)
Interest Gain		1.744.579	950.788
Interest Payments		(4.454.946)	(2.965.041)
Tax Payments / Returns			
Other Cash Inflows/Outflows			
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS BEFORE FOREIGN CURRENCY CONVERSION			
ADJUSTMENTS (A+B+C)		(3.839.502)	4.929.521
D. FOREIGN CURRENCY CONVERSION ADJUSTMENTS EFFECTS ON CASH AND CASH EQUIVALENTS			
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)		(3.839.502)	4.929.521
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		6.227.985	340.958
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD (A+B+C+D+E)		2.388.483	5.270.479

The accompanying accounting policies and explanatory notes are an integral part of these statements

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2014

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

INDEX

1. ORGANIZATION AND ACTIVITIES.....	1
2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS	2
3. BUSINESS COMBINATIONS	9
4. JOINT VENTURES.....	9
5. SEGMENT INFORMATION	9
6. CASH AND CASH EQUIVALENTS	12
7. FINANCIAL INVESTMENTS	12
8. FINANCIAL BORROWING	12
9. TRADE RECEIVABLES/ PAYABLES	15
10. OTHER RECEIVABLES/ PAYABLES	16
11. INVENTORIES	17
12. PREPAID EXPENSES AND DEFERRED INCOME	18
13. EQUITY METHOD FOR INVESTMENTS	18
14. INVESTMENT PROPERTY.....	18
15. PROPERTY, PLANT AND EQUIPMENT.....	19
16. INTANGIBLE FIXED ASSETS	19
17. POSITIVE / NEGATIVE GOODWILL	19
18. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES.....	19
19. EMPLOYEE BENEFITS.....	22
20. OTHER ASSETS AND LIABILITIES	23
21. CAPITAL, RESERVES AND OTHER EQUITY COMPONENTS.....	24
22. INCOME TAXES	26
23. EARNING PER SHARE	29
24. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS	29
25. FINANCIAL INSTRUMENTS	32
26. POST BALANCE SHEET EVENTS	33
27. DISCLOSURE OF OTHER MATTERS	33

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2014

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

1. ORGANIZATION AND ACTIVITIES

Katmerciler Araç Üstü Ekipman and Trade Joint Stock Company (the "Company") , in 1985 " Katmerciler Araç Üstü Ekipman and Trade Co, Ltd." with the title of Izmir Trade Registry Office and 11/05/1985 date , 1380 Turkey Trade Registry Gazette ' in the declaration has been established.

The Group's head office address : Ataturk Organized Industrial Zone 10032 Sokak No: 10 Çiğli / IZMİR and the Company does not have any branch office.

Group has a liason office on Kızılırmak Mah.1446 Cad. No: 2b/ 82 The Progon Çukurambar - Cankaya / Ankara Turkey address .

The Company and its subsidiaries (the "Group") operate in any and all onboard equipment manufacturing , painting, labor and resources in the field of labor operates . The following details the Group's activities also form the basis of reporting by field of activity .

Group 's main activities are as follows :

Painting Work - Painting of vehicle equipment

Weld Works - Sources of aerial work equipment

Vehicle Equipment Manufacturing- fire, trash , vacuum , grooving, environmental tool , transport , defense vehicles and for the manufacture of vehicle mounted equipment for the construction industry

Company shares were offered to the public in 2010 and 36,29 % of sheres are trading Istanbul Stock Exchange Inc. (BIST) as of September 30, 2014.

Group has 275 employee as at 30 September 2014. (31 December 2013: 398).

Group's main shareholder is Ismail Katmerci. (Note 21).

Company's subsidiaries are as follows:

The accompanying consolidated financial statements of the subsidiaries included in the consolidation:

<u>Company Name</u>	<u>Activity</u>	<u>Country of incorporation</u>
Katmerciler Profil San. ve Tic. A.Ş.	Painting Works	Turkey
Isipan Otomotiv ve Üst Ekipman Metal ve Makine San. ve Tic. A.Ş.	Weld Works Vehicle Equipment	Turkey
Gimkat Araç Üstü Ekipman San. ve Tic. A.Ş.	Manufacturing	Turkey

Company does not have subsidiary which shares traded on the stock market.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

A. Basic Standards of Presentation

Declaration of Conformity to TAS

The condensed financial statements and disclosures have been prepared in accordance with the communiqué numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") announced by the Capital Markets Board ("CMB") (hereinafter will be referred to as "the CMB Accounting Standards") on 13 June 2013 which is published on Official Gazette numbered 28676.

In accordance with article 5th of the CMB Accounting Standards, companies should apply Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS) and interpretations regarding these standards as adopted by the Public Oversight Accounting and Auditing Standards Authority ("POA").

Financial statements prepared in accordance with International Financial Reporting Standards (IFRS) were authorized for issue on November 10, 2014 by the management. General Assembly have the power to amend the financial statements.

Basic of presentation of the interim condensed consolidated financial statements

The group maintains its books of accounts and prepare its statutory financial statements in accordance with the regulation of Turkish Commercial Code and Tax Legislation.

The condensed consolidated financial statements and disclosures have been prepared in accordance with the communiqué numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") announced by the Capital Markets Board ("CMB") (hereinafter will be referred to as "the CMB Accounting Standards") on 13 June 2013 which is published on Official Gazette numbered 28676.

For the period ended 30 June 2014, the Group prepared its interim condensed consolidated financial statements in accordance with the Turkish Accounting Standard No.34 "Interim Financial Reporting".

Interim condensed financial statements of the Company do not include all the information and disclosures required in the annual financial statements, therefore should be read in conjunction with the Company's annual financial statements as of December 31, 2013.

Financial Statements should be prepared according to IFRS and important accounting estimations should use to prepare notes regarding assets and liabilities. There isn't important changes on estimations and accounting forecasts regarding financial statements as of 30 June 2014.

Financial statements , except for the revaluation of financial instruments , have been prepared on the historical cost basis. Financial statements prepared according to revaluation of financial instruments and basis of historical cost.

There is not any seasonal and cyclical changes will significantly affect the Group's operations,

Functional and presentation currency

The individual financial statements of each Group entity operates in the currency of the primary economic environment (functional currency) are presented. Each entity's financial position and results of operations of the Company, which is the functional currency and presentation currency for the consolidated financial statements, which are expressed in Turkish Lira.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (continued)**A. Basic Standards of Presentation (continued)****Comparatives and restatement of prior periods' financial statements**

The interim consolidated financial statements of the Group include comparative financial information to enable the determination of the trends in the financial position and performance. Comparative figures are reclassified, where necessary, to conform to changes in presentation in the current period condensed interim consolidated financial statements and the significant changes are explained.

The reclassifications made at the Group's statement of profit or loss for the interim period are as follows:

	Reported at 30 September 2013	Effect of CMB Changes	Readjusted 30 September 2013
<u>OPERATING ACTIVITIES</u>			
Sales	98.943.761	-	98.943.761
Cost of Sales (-)	(76.051.386)	-	(76.051.386)
GROSS PROFIT/(LOSS)	22.892.375	-	22.892.375
General Administrative Expenses (-)	(6.259.618)	-	(6.259.618)
Marketing Expenses (-)	(10.257.306)	-	(10.257.306)
Research & Development Expenses (-)			
Other Incomes From Main Operations	2.493.201	7.294.790	9.787.991
Other Expenses From Main Operations (-)	(968.680)	(3.898.360)	(4.867.040)
OPERATING PROFIT/ (LOSS)	7.899.972	3.396.430	11.296.402
Income from Investing activities	950.788	843.391	1.794.179
Expense from Investing activities (-)	-		-
PROFIT / (LOSS) BEFORE FINANCING EXPENSE	8.850.760	4.239.821	13.090.581
Financial Incomes	11.152.522	(8.138.181)	3.014.341
Financial Expenses (-)	(26.961.646)	3.898.360	(23.063.286)
PROFIT/ (LOSS) BEFORE TAXES	(6.958.364)	-	(6.958.365)
Tax Income/(Expense) From Operating Activities	(53.127)	-	(53.127)
- Tax For Period	(83.916)	-	(83.916)
- Deferred Tax Income/ (Expense)	30.789	-	30.789
NET, PROFIT/ (LOSS)	(7.011.492)	-	(7.011.492)
Profit / (Loss) Distribution	-7.011.492	-	(7.011.492)
Non-controlling Shares	225.428	-	225.428
Parent Shares	(7.236.920)	-	(7.236.920)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

2.BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (continued)

A. Basic Standards of Presentation (continued)

Comparative Information and Restatement of Prior Period Consolidated Financial Statements (continued)

(*)Prior period consolidated in the statement of comprehensive income or loss "Other operating income" account in the amount of TRY 35.608 rental income reported in "Income from investment operations" account.

(*) Unrealized Finance Income and Unrealized Finance Expense respectively TRY 17.993 and 153.187 reported as "Financial Income" and "Financial Expense" accounts in consolidated comprehensive income or loss statements at prior period reported as "Other Income from Main Activities" and "Other Expense from Main Activities" accounts.

(*)Prior period consolidated in the statement of comprehensive income or loss "Finance income" account in the amount of 938.057 TRY reported in the maturity of current account differences "Other operating income" are reclassified

(*) Investment Property Appreciation TRY 1.733.403 reported as "Other Income from Main Activities" account in consolidated comprehensive income or loss statements at prior period reported as "Income from Investing Activities" account.

(*) Tangible Assets Sales Profit TRY 12.437 reported as "Other Income from Main Activities" account in consolidated comprehensive income or loss statements at prior period reported as "Income from Investing Activities" account.

(*) Exchange difference from trade activities TRY 8.120.188 reported as "Finance income" account in consolidated comprehensive income or loss statements at prior period reported as "Other Income from Main Activities" account and Exchange difference from trade activities TRY 3.745.173 reported as "Finance Expense" account in consolidated comprehensive income or loss statements at prior period reported as "Other Expense from Main Activities" account

Consolidation Principles

The consolidated financial statements include the accounts of the parent company, its subsidiaries on the basis set out in sections below. Control is obtained by controlling over the activities of an entity's financial and operating policies in order to benefit from those activities.

Subsidiaries

Subsidiaries are all entities over which the Group has power to govern the financial and operating policies so as to benefit from its activities. In case of Group has income from company because of it's relation or rights-holder of income also has power to effect income than Group is controlling the company.

Subsidiaries' financial statements from the date control commences until the date that end have been included in the consolidated financial statements.

Accounting policies of subsidiaries, if necessary, to ensure compliance with policies agreed by the Group has been changed.

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2014

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated)

2.BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (continued)

A. Basic Standards of Presentation (continued)

Consolidation Principles (continued)

As of September 30, 2014 subject to consolidation, direct and indirect participation rate of subsidiaries are as follows;

<u>Subsidiaries</u>	<u>Main Activity</u>	<u>Functional Currency</u>	<u>Establishment and Operation Place</u>	<u>Shareholding Ratio (%)</u>	
				<u>30.09.2014</u>	<u>31.12.2013</u>
Katmerciler Profil San. ve Tic. A.Ş.	Painting Works	Turkish Liras	Turkey	93,33	93,33
Isıpan Otomotiv ve Üst Ekipman Metal ve Makine San. ve Tic. A.Ş.	Weld Works	Turkish Liras	Turkey	95,67	95,67
Gimkat Araç Üstü Ekipman San. ve Tic. A.Ş. (*)	Equipment Manufacturing	Turkish Liras	Turkey	49,99	49,99

(*) Company has power to assign Gimkat Araç Üstü Ekipman Sanayi ve Ticaret A.Ş.’ (Gimkat)’s financial and operational policies therefore Gimkat consolidated with full consolidation method.

Elimination Transactions On the Consolidation

Unrealized Income and Expenses arises from intragroup transactions, intragroup transactions and intragroup balances erases mutually while preparation of consolidated financial statements. Profits and Losses arises from transactions between parent and subsidiaries subject to consolidation offsets as far as parent’s share on subsidiary

The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as at 30 September 2014 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of 1 January 2014. The effects of these standards and interpretations on the Group’s financial position and performance have been disclosed in the related paragraphs.

The new standards, amendments and interpretations which are effective as at 1 January 2014 are as follows:

TAS 32 Financial Instruments: Presentation - Offsetting Financial Assets and Financial liabilities (Amended)

The amendments clarify the meaning of “currently has a legally enforceable right to set-off” and also clarify the application of the TAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. These amendments are to be retrospectively applied for annual periods beginning on or after 1 January 2014. The Company does not expect that these amendments will have significant impact on the financial position or performance of the Company.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (continued)

A. Basic Standards of Presentation (continued)

The new standards, amendments and interpretations (continued)

TFRIC Interpretation 21 Levies

The interpretation clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be recognized before the specified minimum threshold is reached. The Interpretation had no significant impact on the financial position or performance of the Company.

dönemleri için geçerli olup erken uygulamaya izin verilmektedir. Bu yorumun geçmişe dönük olarak uygulanması zorunludur. Söz konusu yorum Şirket için geçerli değildir ve Şirket'in finansal durumu veya performansı üzerinde hiçbir etkisi olmamıştır.

IAS 36 Impairment of Assets - Recoverable Amount Disclosures for Non-Financial assets (Amendment)

The IASB, as a consequential amendment to IFRS 13 Fair Value Measurement, modified some of the disclosure requirements in IAS 36 Impairment of Assets regarding measurement of the recoverable amount of impaired assets. The amendments required additional disclosures about the measurement of impaired assets (or a group of assets) with a recoverable amount based on fair value less costs of disposal. The amendments are to be applied retrospectively for annual periods beginning on or after 1 January 2014. Earlier application is permitted for periods when the entity has already applied IFRS 13. The Company does not expect that this amendment will have any impact on the financial position or performance of the Company.

TMS 39 Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting (Amendments)

Amendments to IAS 39 Financial Instruments: Recognition and Measurement provides a narrow exception to the requirement for the discontinuation of hedge accounting in circumstances when a hedging instrument is required to be novated to a central counterparty as a result of laws or regulations. Annual periods beginnings on after 1 January 2014 shall be applied retrospectively. The amendments had no significant impact on the financial position or performance of the Company.

TFRS 10 Consolidated Financial Statements (Amended)

TFRS 10 is amended for entities that meet the definition of an investment entity to qualify for the consolidation exception. According to the amendment, financial assets of an investment entity should be measured at fair value under TFRS 9 Financial Instruments. Annual periods beginnings on after 1 January 2014 shall be applied retrospectively. The amendments had no significant impact on the financial position or performance of the Group.

Standards issued but not yet effective and not early adopted:

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the interim period financial statements are as follows. The Company will make the necessary changes if not indicated otherwise, which will be affecting the interim period financial statements and disclosures, after the new standards and interpretations become in effect.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

2. BASIS OF PRESENTATIONS OF THE FINANCIAL STATEMENTS (continued)

A. Basis Standards of Presentations (continued)

New and amended standards and interpretations (continued)

TFRS 9 Financial Instruments – Classification and Measurement

As amended in December 2012, the new standard is effective for annual periods beginning on or after 1 January 2015. Phase 1 of this new TFRS 9 introduces new requirements for classifying and measuring financial assets and liabilities. The amendments made to TFRS 9 will mainly affect the classification and measurement of financial assets and measurement of fair value option (FVO) liabilities and requires that the change in fair value of a FVO financial liability attributable to credit risk is presented under other comprehensive income. Early adoption is permitted. The Group is in the process of assessing the impact of the amendment on financial position or performance of the Group.

The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by POA

The following standards, interpretations and amendments to existing IFRS standards are issued by the IASB but not yet effective up to the date of issuance of the interim financial statements. However, these standards, interpretations and amendments to existing IFRS standards are not yet adapted/issued by the POA, thus they do not constitute part of TFRS. The Company will make the necessary changes to its consolidated financial statements after the new standards and interpretations are issued and become effective under TFRS.

IFRS 9 Financial Instruments – Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39 -IFRS 9 (2013)

In November 2013, the IASB issued a new version of IFRS 9, which includes the new hedge accounting requirements and some related amendments to IAS 39 and IFRS 7. Entities may make an accounting policy choice to continue to apply the hedge accounting requirements of IAS 39 for all of their hedging transactions. The standard does not have a mandatory effective date, but it is available for application now; a new mandatory effective date will be set when the IASB completes the impairment phase of its project on the accounting for financial instruments. The Company is in the process of assessing the impact of the amendment on financial position or performance of the Company.

Improvements to IFRSs

In December 2013, the IASB issued two cycles of Annual Improvements to IFRSs – 2010–2012 Cycle and IFRSs – 2011–2013 Cycle. Other than the amendments that only affect the standards' Basis for Conclusions, the changes are effective as of 1 July 2014. Earlier application is permitted.

Annual Improvementsto IFRSs - 2010–2012 Cycle

IFRS 2 Share-based Payment::

Definitions relating to vesting conditions have changed and performance condition and service condition are defined in order to clarify various issues. The amendment is effective prospectively.

IFRS 3 Business Combinations

Contingent consideration in a business acquisition that is not classified as equity is subsequently measured at fair value through profit or loss whether or not it falls within the scope of IFRS 9 Financial Instruments. The amendment is effective for business combinations prospectively.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

2. BASIS OF PRESENTATIONS OF THE FINANCIAL STATEMENTS (continued)

A. Basis Standards of Presentations (continued)

New and amended standards and interpretations (continued)

IFRS 8 Operating Segments

The changes are as follows: i) Operating segments may be combined/aggregated if they are consistent with the core principle of the standard. ii) The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker. The amendments are effective retrospectively.

UFRS 13 Fair Value Measurement Decision Requirements

As clarified in the Basis for Conclusions, short-term receivables and payables with no stated interest rates can be held at invoice amounts when the effect of discounting is immaterial. The amendments had no significant impact on the financial position or performance of the Group.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets

The amendment to IAS 16.35(a) and IAS 38.80(a) clarifies that revaluation can be performed, as follows: i) Adjust the gross carrying amount of the asset to market value or ii) determine the market value of the carrying amount and adjust the gross carrying amount proportionately so that the carrying amount equals to the market value. The amendment is effective retrospectively.

UMS 24 Related Party Disclosures

The amendment clarifies that a management entity – an entity that provides key management personnel services – is a related party subject to the related party disclosures. The amendment is effective retrospectively.

Annual Improvements to IFRSs - 2011–2013 Cycle

IFRS 1 First Time Adoption of International Financial Reporting Standards

The amendment clarifies that in its first IFRS financial statements, a first-time adopter is permitted but not required to apply a new or revised IFRS that is not yet mandatory but is available for early application.

UFRS 3 Business combinations

The amendment clarifies that: i) Joint arrangements are outside the scope of IFRS 3, not just joint ventures ii) The scope exception applies only to the accounting in the financial statements of the joint arrangement itself. The amendment is effective prospectively.

UFRS 13 Fair Value Measurement

The portfolio exception in IFRS 13 can be applied to the contracts within the context of IAS 39, not just financial assets and financial liabilities. The amendment is effective prospectively.

UMS 40 Investment Property

The amendment clarifies the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property. The amendment is effective prospectively. These amendments did not have an impact on the financial position or performance of the Group.

IFRS 14 Regulatory Deferral Accounts

IASB has started a comprehensive project for Rate Regulated Activities in 2012. As part of the project, IASB published an interim standard to ease the transition to IFRS for rate regulated entities. The standard permits first time adopters of IFRS to continue using previous GAAP to account for regulatory deferral account balances. The interim standard is effective for financial reporting periods beginning on or after 1 January 2016, although early adoption is permitted. The Group does not expect that these amendments will have significant impact on the financial position or performance of the Company.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated)

2. BASIS OF PRESENTATIONS OF THE FINANCIAL STATEMENTS (continued)

A. Basis Standards of Presentations (continued)

Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)

The amendments introduce a relief that will reduce the complexity and burden of accounting for certain contributions from employees or third parties. When contributions are eligible for the practical expedient, a company is permitted (but not required) to recognise them as a reduction of the service cost in the period in which the related service is rendered. The amendment is effective for annual periods beginning on or after 1 July 2014. Early application is permitted. The Company does not expect that these amendments will have significant impact on the financial position or performance of the Company.

3. BUSINESS COMBINATIONS

None (31.12.2013: None).

4. JOINT VENTURES

None (31.12.2013: None).

5. SEGMENT INFORMATION

Each reportable segment derives its revenues as the types of products and services are as follows;

"Truck-mounted equipment production"

Firefighters, environmental tool, vehicle, vehicles for the defense industry and the construction industry is the manufacture and sale of equipment for the aerial.

"Paint Works"

Painting of vehicles and vehicle-mounted equipment is made of craftsmanship.

"Weld Works"

Truck-mounted equipment is made of the source of labor.

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

5. SEGMENT INFORMATION (continued)

	Vehicle Equipment	Weld Works	Painting Work	Consolidation Adjustments	Total
30.09.2014					
Net Revenue Non Group	126.104.698				126.104.698
Net Group Internal Revenue	13.271.898	1.317.661	949.254	(15.538.813)	-
Total Revenue	139.376.596	1.317.661	949.254	(15.538.813)	126.104.698
Cost of Sales(-)	(118.679.912)	(706.069)	(552.340)	16.284.753	(103.653.567)
Gross Profit	20.696.684	611.593	396.914	745.940	22.451.131
Resource And Development Expense (-)					
General Administrations Expense (-)	(6.622.781)	(166.320)	(69.587)	169.479	(6.689.210)
Marketing,Sales And Distributins Expense(-)	(6.719.615)	-	-	18.385	(6.701.229)
Other Operating Income	11.045.366	34.085	419.254	(1.091.237)	10.407.468
Other Operating Expenses (-)	(7.000.169)	(136)	(175.595)		(7.175.901)
Operiting Profit/Loss	11.399.484	479.222	570.986	(157.433)	12.292.259
Income From Investment Operation	2.320.632	-	-	36	2.320.668
Expense From Investment Operation (-)	-	-	-		-
PROFIT / (LOSS) BEFORE TAX FROM OPERATING ACTIVITIES	13.720.117	479.222	570.986	(157.398)	14.612.927
Financial Income	6.584.648	1.859	29	(156.779)	6.429.757
Financial Expense (-)	(14.953.021)	(1.703)	(12)	272.601	(14.682.135)
PROFIT / (LOSS) BEFORE TAX FROM OPERATING ACTIVITIES	5.351.745	479.378	571.003	(41.576)	6.360.549
Contining Operations Taxes Income/(Loss)					
-Tax Income/(Expenses)	-	(116.545)	(178.087)		(294.632)
-Deffered Tax Income(Expense)	645.479	(11)	45.930		691.398
PROFIT/LOSS, NET	5.997.224	362.822	438.845	(41.576)	6.757.315
Capital Expenditures(Expenses)	1.378.057				1.378.057
Tangible Fixed Assets	555.258				555.258
Intangible Fixed Assets	822.799				822.799
Amortization,	537.097	498	30.842		568.438
Depreciation And Amortization	220.950				220.950
Interest,amortization and before tax income	11.561.068	1.237.233	571.484	(157.433)	13.243.195
Total Capital Expenditure	-	-	-	-	0
<u>Other Information</u>					
- Total Assets	221.653.027	773.715	12.962.808	(17.678.466)	217.711.084
- Sources of Total	221.653.027	773.715	12.962.808	(17.678.466)	217.711.084

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

5. SEGMENT INFORMATION (continued)

	Vehicle Equipment	Weld Works	Painting Work	Consolidation Adjustments	Total
30.09.2013					
Net Revenue Non Group	98.943.761				98.943.761
Net Group Internal Revenue	22.151.595	788.569	823.248	(23.763.413)	-
Total Revenue	121.095.357	788.569	823.248	(23.763.413)	98.943.761
Cost of Sales(-)	(99.298.202)	(589.288)	(645.933)	24.482.037	(76.051.386)
Gross Profit	21.797.154	199.281	177.316	718.624	22.892.375
Resource And Development Expense (-)					
General Administrations Expense (-)	(6.166.756)	(124.707)	(122.527)	154.372	(6.259.618)
Marketing,Sales And Distributins Expense(-)	(10.276.162)			18.856	(10.257.306)
Other Operating Income	10.817.878	16.627	265.015	(1.311.530)	9.787.990
Other Operating Expenses (-)	(4.858.094)	(4.819)	(4.127)		(4.867.039)
Operting Profit/Loss	11.314.020	86.382	315.677	(419.677)	11.296.402
Income From Investment Operation	1.804.069		35.881	(45.771)	1.794.179
Expense From Investment Operation (-)					-
PROFIT / (LOSS) BEFORE TAX FROM OPERATING ACTIVITIES	13.118.090	86.382	351.557	(465.448)	13.090.581
Financial Income	3.014.283	16	42		3.014.341
Financial Expense (-)	(23.243.176)	(10.076)	(348)	190.314	(23.063.286)
PROFIT / (LOSS) BEFORE TAX FROM OPERATING ACTIVITIES	(7.110.803)	76.321	351.251	(275.133)	(6.958.364)
Contining Operations Taxes Income/(Loss)					
- Tax Income/(Expenses)			(83.916)	-	(83.916)
- Deffered Tax Income(Expense)	13.127	3.997	13.666	-	30.789
PROFIT/LOSS, NET	(7.097.676)	80.318	281.002	(275.135)	(7.011.491)
Capital Expenditures(Expenses)	388.269				
Tangible Fixed Assets	346.340				346.340
Intangible Fixed Assets	41.929				41.929
Amortization,	487.019	75.125	498		562.642
Depreciation And Amortization	189.887			(10.032)	179.855
Interest,amortization and before tax income	11.990.927	161.507	316.175	(429.709)	12.038.899
Total Capital Expenditure	388.269	-	-	-	388.269
<u>Other Information</u>					
- Total Assets	205.921.423	141.069	10.794.274	(12.143.340)	204.713.425
- Sources of Total	205.921.423	141.069	10.794.274	(12.143.340)	204.713.425

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

6. CASH AND CASH EQUIVALENTS

	<u>30.09.2014</u>	<u>31.12.2013</u>
Cash	34.553	53.238
Bank (*)	2.353.929	6.174.747
- Demand Deposits	2.353.929	6.174.747
TRY	992.149	5.112.928
USD	904.855	235.399
EURO	456.925	826.420
Time Deposit	-	-
TRY	-	-
Interest Income Accrual	-	-
Total	<u>2.388.482</u>	<u>6.227.985</u>

*There is TRY 50.944 blocked amount on bank accounts referring to Eximbank credits

7. FINANCIAL INVESTMENTS

None (31.12.2013: None).

8. FINANCIAL BORROWING

	<u>30.09.2014</u>	<u>31.12.2013</u>
Financial Borrowings		
a) Bank Loans	102.627.289	139.343.724
b) Finance Lease Obligations	170.733	111.540
c) Factoring Debt	1.850.496	1.935.601
Total	104.648.518	141.390.865

a) Bank Loans**30.09.2014**

Currency	Average Interest Rate	Short Term	Long Term
TRY	9,00 - 14,00	34.256.559	21.496.301
USD	3,25-6	10.665.173	8.349.090
EUR	3,25-4,80	10.831.128	17.029.039
Total		55.752.860	46.874.430

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

8. FINANCIAL BORROWING (Continued)**a) Bank Loans (Continued)**31.12.2013

Currency	Average Interest Rate	Short Term	Long Term
TL	5,4-15	22.148.280	2.918.788
USD	3,5 - 7,25	39.226.393	8.737.410
EUR	3,5-6,75	41.413.409	24.899.444
Total		102.788.082	36.555.642

	<u>30.09.2014</u>	<u>31.12.2013</u>
Payable within 1 year	57.662.088	104.835.223
Payable within 1-2 years	15.556.255	20.750.792
Payable within 2-3 years	11.341.714	2.726.750
Payable within 3-4 years	20.088.461	13.078.100
Total	104.648.518	141.390.865

The fair value of short-and long-term debt, the effect of discounting is immaterial being is equal to book value. As of the reporting date, bank loans, building, EUR 600,000, USD 5.000.000 and TRY 15.6 million -values is secured over. (31.12.2013: EUR 2.900.000, USD 5.000.000 and TRY 8.500.000).

b) Factoring Payables:

<u>Currency</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
EUR	1.850.496	379.970
USD	-	1.555.631
Total	-	1.935.601

c) Lease Obligations:

Finance lease obligations, acquired through financial leasing plant, machinery and equipment due to the amount payable as of the date of the balance sheet shows the unpaid portion.

- The sum of the minimum lease payments and present value

INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

8. FINANCIAL BORROWING (continued)**c) Finance Lease Obligations (continued):**

30.09.2014	TRY	TRY	TRY	TRY
	Less than 1 year	More than 1 year - less than 5 years	More than 5 year	Total
Amount of minimum lease payments				
-TRY denominated finance leases	65.771	115.385		181.156
- USD denominated finance leases				
- EUR denominated finance leases				
Total	65.771	115.385		181.156
Present value of payments				
-TRY denominated finance leases	58.732	112.000		170.733
- USD denominated finance leases				
- EUR denominated finance leases				
Total	58.732	112.000		170.733
31.12.2013	TRY	TRY	TRY	TRY
	Less than 1 year	More than 1 year - less than 5 years	More than 5 year	Total
Amount of minimum lease payments				
- TRY denominated finance leases	114.464			114.464
- EUR denominated finance leases				
Total	114.464			114.464
Present value of payments				
-TRY Cinsinden Finansal Kiralamalar	111.540			111.540
- USD Cinsinden Finansal Kiralamalar				
- EUR Cinsinden Finansal Kiralamalar				
Total	111.540			111.540

Leasing, rental period of 2 years, machinery and fixtures are related to the purchase. The company's two-year lease term with machinery, plant and stock purchase option is available for. The Company's obligations under finance leases, the lessor of the leased asset is secured by property right on.

Convention relating to the leasing transactions on interest rates are fixed for the entire rental period. Contract average effective interest rate is about 5%.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

9. TRADE RECEIVABLES/ PAYABLES**a) Trade Receivables:**

At balance sheet date, the Group's trade receivables is as follows:

<u>Short Term Trade Receivables</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Receivables	59.659.811	87.304.390
- Third Parties	58.416.807	84.126.437
- Related Parties	1.243.003	3.177.953
Term Cheques	18.379.561	4.453.133
- Third Parties	10.527.269	4.453.133
- Related Parties	7.852.292	0
Less: Unearned Finance Income	(42.548)	(204.610)
Doubtful Receivables (*)	1.403.820	2.222.507
Less: Provision for Doubtful Receivables	(1.403.820)	(2.222.507)
Total	<u>77.996.822</u>	<u>91.552.913</u>

30.09.2014 TRY, USD and EUR denominated short-term trade receivables calculated for unearned finance income is used for the weighted average effective interest rates per annum, respectively 9,25%, 0,30% and 0,11% and receivables weighted average maturity of 164 days. (2013: %8,24 ve %0,19 , % 0,21 190 days).

There is a provision for TRY 1.403.820 (31.12.2013: TRY 2.222.507) amount of trade receivables as of September 30,2014. Provision amount of interim period is TRY 608.385 (31 December 2013: TRY 1.360.901).The significant amount of provision arises from uncollected receivables from customers.

(*) Group's doubtful receivables provision details as follows;

<u>Doubtful Trade Receivables</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Beginning of Period	2.222.507	1.062.199
Period Expenditure	608.385	1.360.901
Less: Cancelled during the period	(1.427.072)	(200.593)
End Of Period	<u>1.403.820</u>	<u>2.222.507</u>

Long Term Trade Receivables

None (31.12.2013: None).

b) Trade Payables:

As at balance sheet date, the Group's trade payables are as follows:

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

9. TRADE RECEIVABLES/ PAYABLES (continued)

<u>Short Term Trade Payables</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Buyers	13.928.578	16.481.324
Debt Securites	18.392.946	15.033.334
Less: Unearned Finance Expense	(212.163)	(193.105)
Trade Payables to related parties	507.416	399.209
Other Trade Payables	1.750.407	2.803.894
Total	34.367.184	34.524.656

30.09.2014 TRY, USD and EUR denominated short-term trade payables calculated for unearned finance expense is used for the weighted average effective interest rates per annum, respectively 9,25%, 0,30% and 0,11% and receivables weighted average maturity of 78 days. (2013: % 8,24, % 0,19 ve %0,21, 115 days).

Long-term Trade Payables

None. (31.12.2013: None).

10. OTHER RECEIVABLES/ PAYABLES

<u>Short Term Other Payables</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Receivables from Personnel	270	548
Deposits and Guarantees	6.061	85
Receivables from Tax Office	3.292.286	3.660.287
Receivables from Operating Lease	8.722	14.507
Total	3.307.339	3.675.427

<u>Short- Term Other Payables</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Deposits and Guarantees	36.761	40.686
Total	36.761	40.686

<u>Long- Term Other Payables</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Other Miscellaneous Payables	67.033	26.562
Taxes and Funds Payable	654.846	525.386
Total	721.879	551.948

Other Long- Term Payables

None (31.12.2013: None).

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

11. INVENTORIES

	<u>30.09.2014</u>	<u>31.12.2013</u>
Raw Materials	52.184.348	56.963.932
Semi-Manufactured	15.866.165	12.347.402
Finished Goods	3.933.744	1.517.420
Merchandise	2.683.948	11.145.927
Other Inventories	350.603	811.905
Provision for Inventories	(5.494)	(9.129)
Total	<u>75.013.314</u>	<u>82.777.457</u>

Group's net realisable value of inventories under cost value is TRY 5.494 as at balance sheet date. (31.12.2013: TRY 9.129). There is TRY 9.129 cancelled provision for inventories.

	<u>30.09.2014</u>	<u>31.12.2013</u>
Opening Balance	9.129	-
Additional Provisin	5.494	9.129
Cancelled Provision (-)	(9.129)	-
Closing Balance	<u>5.494</u>	<u>9.129</u>

Group does not has any pledged inventory for credits as at September 30,2014. (31.12.2013: None).

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated)

12. PREPAID EXPENSES AND DEFFERED INCOME**Short Term Prepaid Expenses**

	<u>30.09.2014</u>	<u>31.12.2013</u>
Advances Given for Inventories	7.437.392	9.965.984
Prepaid Expenses for Future Months	116.261	89.354
Total	<u>7.553.653</u>	<u>10.055.338</u>

Long Term Prepaid Expenses

	<u>30.09.2014</u>	<u>31.12.2013</u>
Prepaid Expenses for Future Years	3.725	16.785
Total	<u>3.725</u>	<u>16.785</u>

Short Term Prepaid Income

	<u>30.09.2014</u>	<u>31.12.2013</u>
Deffered Income for Future Months	27.188.860	23.106.345
Total	<u>27.188.860</u>	<u>23.106.345</u>

Long Term Prepaid Income

None. (31.12.2013: None).

13. EQUITY METHOD FOR INVESTMENTS

None. (31.12.2013: None).

14. INVESTMENT PROPERTY

Group's lands and buildings located in Gaziemir / Izmir, the buildings and lands located Güzelbahçe / Izmir, lands located in Ataşehir /İstanbul valuated by TSKB Real Estate appraisal Co. Inc. which is CMB licensed expertise company.

According to September 30, 2014 dated expertise report; total value of lands and buildings located in Gaziemir / Izmir is TRY 4.580.000, total value of buildings and lands located Güzelbahçe / Izmir is TRY 512.000, total value of lands located in Ataşehir /İstanbul is TRY 3.657.957 determined.

Group, TRY 41.578 rental income earned from investment properties as at current period (31.12.2013: TRY 28.135). There is TRY 15.600.000 mortgage on investment properties (31.12.2013: None).

There is TRY 1.800.000 insurance coverage on investment properties (31.12.2013: None).

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

15. PROPERTY, PLANT AND EQUIPMENT

Group purchased TRY 555.258 (31.12.2013: TRY 1.019.823) and sold TRY 620.243 (31.12.2013: TRY 146.359) tangible asset within the period.

Group's factory land and building located in Çiğli / Izmir, valued by TSKB Real Estate appraisal Co. Inc. which is CMB licensed expertise company.

According to September 30, 2014 dated expertise report; total value of factory land and building located in Çiğli / Izmir is TRY 24.117.000 determined. Real estate values determined according to precedents comparison and cost approach methods. There is USD 5.000.000 and EURO 600.000 mortgage on tangible assets (31.12.2013: None).

16. INTANGIBLE FIXED ASSETS

Group purchased TRY 822.799 (31.12.2013: TRY 66.550) intangible asset within interim period. There is not any intangible asset sales within interim period (31.12.2013: TRY 34.979).

17. POSITIVE / NEGATIVE GOODWILL

	<u>30.09.2014</u>	<u>31.12.2013</u>
İspan Positive Goodwill (Net)	622.304	622.304
Profil Positive Goodwill (Net)	1.136.735	1.136.735
Less: Impairment Provision (-)		
Closing Balance	<u>1.759.039</u>	<u>1.759.039</u>

18. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES

<u>Short Term Payable Provisions</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Leave Expense Provision	527.904	443.795
Warranty Expense Provision	390.916	269.544
Court Expense Provision	39.736	-
Total	<u>958.556</u>	<u>713.339</u>

<u>Long Term Payable Provisions</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Severance Pay Provision	2.036.807	1.747.700
Total	<u>2.036.807</u>	<u>1.747.700</u>

Contingent Assets

As of September 30, 2014, there are 4 ongoing cases against the Group. The total amount of cases is TRY 2.400. (31 December 2013: TRY 2.400).

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated)

18. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES (continued)**CPM’s given by the Company (Collaterals, Pledges, Mortgages)**

Collaterals, Pledges, Mortgages position table as of 30 September 2014 and 31 December 2013 below;

30.09.2014

<u>CPM’s given by the Company (Collaterals, Pledges, Mortgages)</u>	<u>TRY</u> <u>Equivalent</u>	<u>USD</u>	<u>EUR</u>	<u>TRY</u>
1. Total amount of CPM provided by the company on behalf of itself	53.578.934	12.534.264	1.312.839	21.218.657
2. Total amount of CPM provided on behalf of the consolidated subsidiaries accounted under full consolidation method	-	-	-	-
3. Provided on behalf of third parties in order to maintain operating activities (to secure third party payables)	-	-	-	-
4. Total amount of other CPM’s				
- Total amount of CPM’s given on behalf of majority shareholder	-	-	-	-
- Total amount of CPM’s given on behalf of other Company companies which are not in scope of 2 and 3	-	-	-	-
- Total amount of CPM’s given on behalf of third parties which are not in scope of 3	-	-	-	-
Total	<u>53.578.934</u>	<u>12.534.264</u>	<u>1.312.839</u>	<u>21.218.657</u>
Collaterals	24.849.594	TL		
Pledges	28.729.340	TL		
	<u>53.578.934</u>	TL		

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

18. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES (continued)**CPM's given by the Company (Collaterals, Pledges, Mortgages) (continued)**

	<u>31.12.2013</u>			
<u>CPM's given by the Company (Collaterals, Pledges, Mortgages)</u>	<u>TRY</u>	<u>USD</u>	<u>EUR</u>	<u>TRY</u>
	<u>Equivalent</u>			
1. Total amount of CPM provided by the company on behalf of itself	50.973.035	8.707.600	4.187.839	20.090.815
2. Total amount of CPM provided on behalf of the consolidated subsidiaries accounted under full consolidation method	-	-	-	-
3. Provided on behalf of third parties in order to maintain operating activities (to secure third party payables)	-	-	-	-
4. Total amount of other CPM's				
- Total amount of CPM's given on behalf of majority shareholder	-	-	-	-
- Total amount of CPM's given on behalf of other Company companies which are not in scope of 2 and 3	-	-	-	-
- Total amount of CPM's given on behalf of third parties which are not in scope of 3	-	-	-	-
Total	<u>50.973.035</u>	<u>8.707.600</u>	<u>4.187.839</u>	<u>20.090.815</u>
Collaterals	24.046.635	TL		
Pledges	120.000	TL		
Mortgages	26.806.400	TL		
	<u>50.973.035</u>	TL		

There is not any given "Other CPM". (31.12.2013: None).

As of 30.09.2014 and 31.12.2013 the details of given CPM presented as below:

	<u>30.09.2014</u>				<u>31.12.2013</u>			
<u>Collaterals, Pledges and Mortgages</u>	<u>Total TRY</u>	<u>USD</u>	<u>EUR</u>	<u>TRY</u>	<u>Total TRY</u>	<u>USD</u>	<u>EUR</u>	<u>TRY</u>
	<u>Equivalent</u>				<u>Equivalent</u>			
Collaterals	24.849.594	7.534.264	712.839	5.618.657	24.046.635	3.707.600	1.587.839	11.470.815
Pledges					120.000	-	-	120.000
Mortgages	28.729.340	5.000.000	600.000	15.600.000	26.806.400	5.000.000	2.600.000	8.500.000
Total	<u>53.578.934</u>	<u>12.534.264</u>	<u>1.312.839</u>	<u>21.218.657</u>	<u>50.973.035</u>	<u>8.707.600</u>	<u>4.187.839</u>	<u>20.090.815</u>

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

18. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES (continued)

<u>The assets pledged as collateral:</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Vehicles	-	120.000

19. EMPLOYEE BENEFITS

<u>Short-Term Employee Benefits Provisions</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Unused Leave Provision	527.904	443.795
Total	<u>527.904</u>	<u>443.795</u>

<u>Long-Term Employee Benefits Provisions</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Severance Pay Provision	2.036.807	1.747.700
Total	<u>2.036.807</u>	<u>1.747.700</u>

<u>Employee Benefits Payables</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Payables to Personnel	838.402	936.740
Social Security Premiums Payable	1.002.189	495.721
Total	<u>1.840.591</u>	<u>1.432.461</u>

Under the Turkish Labor Law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, who is called up for military service, dies or who retires after completing 25 years of service (20 years for women).

Retirement pay liability is not subject to any kind of funding legally. Provision for retirement pay liability is calculated by estimating the present value of probable liability amount arising due to retirement of employees. IAS 19 ("Employee Benefits") stipulates the development of Company's liabilities by using actuarial valuation methods under defined benefit plans. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows:

As at balance sheet date provisions calculated according to assumption % 5 expected salary increasing rate and % 9 discount rate also approximately % 3,81 real discount rate and retiring assumption.

Main assumption is that maximum liability amount increases parallel to inflation rate for every service year. Therefore, discount rate used is the expected real rate adjusted for the future inflationary effects. Because of this, provisions in the accompanying financial statements as of June, 30 2014 are calculated by estimating present value of probable liabilities arising due to retirement of employees.

3.438 TRY(31.12.2013: 3.254 TRY) maximum amount used on calculation of retirement pay provision with effect from 01 January 2014.

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

19. EMPLOYEE BENEFITS (continued)

Yearly provision for severance payments as follow:

	1 January- 30 September 2014	1 January - 31 December 2013
Provision as of 1st January	1.747.700	1.438.899
Service Cost	433.868	548.079
Interest Cost	85.502	91.713
Severance Pay Paid	(322.711)	(292.513)
Defined Benefit Plans Remasurement		(38.478)
Gain / Loss (*)	92.449	
Total Provisions as of Period End	2.036.807	1.747.700

(*) TRY 12.296 (31.12.2013: TRY 95.711) amount of Defined Benefit Plans Remasurement Gain / Loss booked in other comprehensive income statement as of September 30, 2014. (31.12.2013: None).

Total of expenses included in general administrative, marketing and general production expenses.

20. OTHER ASSETS AND LIABILITIES

<u>Other Currents Assets</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Deferred VAT	7.908.140	7.035.154
Work Advance	134.449	134.672
Other VAT	46.800	-
Total	8.089.389	7.169.826

Other Non-Current Assets

None. (31.12.2013 None.)

Other Short-Term Liabilities

None. (31.12.2013 None.)

Other Long-Term Liabilities

None. (31.12.2013 None.)

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

21. CAPITAL, RESERVES AND OTHER EQUITY COMPONENTS**a) Capital**

Partnership structure as of 30 September 2014 and 31 December 2013 as follow:

	30.09.2014		31.12.2013	
	<u>Share Rate</u>	<u>Share Amount</u>	<u>Share Rate</u>	<u>Share Amount</u>
Shareholders	(%)	TRY	(%)	TRY
İsmail Katmerci	46,11	11.528.333	58,11	14.528.333
Havva Katmerci	4,40	1.100.000	4,40	1.100.000
Mehmet Katmerci	4,40	1.100.000	4,40	1.100.000
Ayşenur Çobanoğlu	4,40	1.100.000	4,40	1.100.000
Furkan Katmerci	4,40	1.100.000	4,40	1.100.000
Public Part (*)	36,29	9.071.667	24,29	6.071.667
Capital	100,00	25.000.000	100,00	25.000.000
Unpaid Capital (-)		-		-
Paid-in Capital		25.000.000		25.000.000

(*) The public part of the capital trade in Istanbul Stock Exchange, Inc. (BIST).

The company's paid-in capital is TRY 25.000.000 (31.12.2011 TRY 25.000.000).

Company capital divided into 25.000.000 shares and each share has TRY 1 value and consist of 2.000.000 pieces of registered shares as A group, 23.000.000 bearer shares as B group.

Group A shares are privileged shares, 1.600.000 units hold by İsmail Katmerciler, 100.000 units hold by Havva Katmerci, 100.000 units hold by Mehmet Katmerci, 100.000 units hold by Ayşenur Çobanoğlu and 100.000 units hold by Furkan Katmerci.

The rights given to the owner of the privileged shares are as follows;

Company management and operations will be managed by board of management consist of 5 person selected from candidates shown by A Group shareholders according to Turkish Commercial Code. (Main Agreement Article 10) All shares has been paid.

b) Reaccured Shares

Compant Management make repurchase of it's own shares as at 27.01.2014 according to 27.12.2013 dated Management Decision by the prices as below.The Management decision approved by 30.05.2014 datedGeneral Assembly Resolution.

Transaction Date	Transaction Qualification	Nominal Amount of Shares (TL)	Price (TRY/Unit)	Price (TRY)	Nominal Amount of Shares before Transaction (TRY)	The Percentage of Shares to Capital before Transaction (%)	Nominal Amount of Shares after Transaction (TRY)	The Percentage of Shares to Capital after Transaction (%)
27.01.2014	Purchase	3.252	2,40	7.805	0	0	3.252	0,00
27.01.2014	Purchase	200	2,41	482	3.252	0	3.452	0,00
27.01.2014	Purchase	2.758	2,42	6.674	3.452	0	6.210	0,00
27.01.2014	Purchase	2.494	2,43	6.060	6.210	0	8.704	0,00
27.01.2014	Purchase	6.940	2,44	16.934	8.704	0	15.644	0,00
27.01.2014	Purchase	356	2,45	872	15.644	0	16.000	0,00
Total		16.000		38.827				

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

21. CAPITAL, RESERVES AND OTHER EQUITY COMPONENTS (continued)

<u>c) Revaluation and Remeasurement Gain / (Losses)</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Tangible Assets Revaluation and Remeasurement Gain / (Losses)	7.309.143	4.322.860
<u>Tangible Assets Revaluation and Remeasurement Gain / (Losses)</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Opening Balance	4.322.860	
Increase from Tangible Assets Revaluation	3.147.593	4.556.519
Deferred Tax Liability from Revaluation	(161.310)	(233.659)
Closing Balance	7.309.143	4.322.860
<u>d) Not to be Reclassified Other Cumulative Comprehensive Income / Expense in case of Profit or Loss</u>		
	<u>30.09.2014</u>	<u>31.12.2013</u>
Defined Benefits Plans Remeasurement Gain / Loss	(281.542)	(238.830)
	(281.542)	(238.830)
<u>e) Restricted Reserves Outgoing from Profit</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Legal Reserves	2.061.453	2.061.453
Total:	2.061.453	2.061.453
<u>f) Retained Profit / (Loss)</u>	<u>30.09.2014</u>	<u>31.12.2013</u>
Retained Profit / (Loss)	(1.328.775)	6.883.818
Total:	(1.328.775)	6.883.818
<u>g) Non-Controlling Shares</u>		
	<u>30.09.2014</u>	<u>31.12.2013</u>
Balance at 1 January	2.805.620	1.378.579
Additions / (Disposals)	(328.249)	1.137.207
Minority Profit / (Loss) Share	607.896	289.834
Total	3.085.267	2.805.620

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2014

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

21. CAPITAL, RESERVES AND OTHER EQUITY COMPONENTS (continued)

Profit Distribution

Open Corporations , the CMB's profit distribution came into force from the date of February 1, 2014 II- 1.19 Dividend accordance with the notification.

Partnerships, profits will be determined by the General Assembly in accordance with the dividend distribution policy and in accordance with the provisions of the relevant legislation by the General Assembly distributes . Comes within the scope of the notification a minimum distribution rate has not been determined . Companies based in contract or in the manner specified in the dividend distribution policy will pay dividends . In addition, dividends may be paid in installments of equal or different, consistent and interim financial statements of the profits in advance may distribute dividends in cash .

TCC based on separation of reserves required by the articles of association or dividend distribution policy for the shareholders determine dividend allottees other reserves to allocate to the next year to transfer profit and dividend shareholders , management board members subsidiaries to their employees and shareholders, persons other than the profit share to be distributed could not be given , as determined for the shareholders in cash dividends are paid on these shares may not be distributed to persons on the card .

Board of Directors revized profit distribution policy which was formed 25.02.2011 dated and 2011/12 numbered decision with 29.04.2014 dated and 2014/13 numbered Board Decision taken according to CMB Law no.6362 Announced at 23 January 2014 and II.19.1 numbered annunciation.The new decision accepted by shareholders as 30.05.2014 dated ordinary general meeting.

22. INCOME TAXES

Current Assets Related with Period Tax

	<u>30.09.2014</u>	<u>31.12.2013</u>
Prepaid Taxes and Funds	5.797	669.747

Tax Provision

	<u>30.09.2014</u>	<u>31.12.2013</u>
Provision for Period's Corporation Tax (-)	(294.632)	(102.601)
Deferred Tax Income / (Loss)	691.398	129.288
Total	<u>396.766</u>	<u>26.687</u>

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2014

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

22. INCOME TAXES (continued)

Corporate Tax

The company is subject to Turkish corporate taxes. The estimated tax liabilities of the Group's results for the period is recognized in the accompanying consolidated financial statements.

The corporate tax rate on taxable profit will be accrued expense in determining accounting profit and tax-exempt non-deductible expenses, gains and other non-taxable income deductions (prior year losses and investment incentives) on taxable income after the deduction of calculated.

Corporations calculate and pay quarterly temporary corporate tax of 20%. (2013: %20)

The tax legislation provides for a temporary tax (prepaid tax) of 20% (20% in 2012) to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final tax liability for the year.

Carried back to Turkey on tax there is no procedure. The annual accounting period until the close of the fourth month following the month of 25th. However, the tax authorities review the accounting records for five years and amount of tax payable may vary if errors are detected.

Income Tax Withholding

In addition to corporate taxes, their share of the profit from the distribution of dividends in the event of the company's income in the statements, including non-resident institutions and branches of foreign companies in Turkey on any dividends distributed, except for the calculation of income tax withholding is required. Income tax 24 April 2003 - 22 July 2006 was 10% in all companies. This rate is from 22 July 2006 2006/10731 15% by the Council of Ministers. Undistributed dividends incorporated in share capital are not subject to income tax withholding.

A reconciliation of income tax expense in the period are as follows:

Period Profit Tax Liability

	<u>30.09.2014</u>	<u>31.12.2013</u>
Profit / (Loss) before Tax	1.279.975	(7.949.458)
Taxable Profit / (Loss)	1.279.975	(7.949.458)
Corporate Tax Rate (%20)	20%	20%
Calculated Tax	294.632	1.589.892
Exemptions and Deductions	-	175.018
Nonallowable Charges	193.185	(23.720)
Other		(1.714.503)
Total	<u>294.632</u>	<u>26.687</u>

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

22. INCOME TAXES (continued)Deferred Taxes:

Deferred tax is accounted for using the liability method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable (statutory) profit.

Deferred tax is calculated using tax rates that have been enacted in the period in which assets acquired and/or liabilities carried out and included in the statement of income as income or expense.

Deferred tax rate is %20. (2013 :%20).

	30 September 2014		31 December 2013	
	TEMPORARY DIFFERENCES	Deferred Tax Assets / (Liabilities)	TEMPORARY DIFFERENCES	Deferred Tax Assets / (Liabilities)
Deferred Tax Liabilities		(651.715)		(820.216)
Terminated Provisions	47.977	(9.595)	33.477	(6.695)
Government Grants	77.954	(15.591)	35.733	(7.147)
Receivable Rediscount (Reversal)	204.609	(40.922)	17.993	(3.599)
Real Estate appreciation (investment purpose)	2.190.343	(109.517)	433.351	(86.670)
Real Estate appreciation (intended purpose)	3.226.200	(161.310)	4.556.519	(233.659)
MDV Sales Adjustment	131.336	(26.267)	97.307	(19.461)
TPL(tax procedure law) Amortization Expense Reversal	1.014.157	(202.831)	1.664.525	(332.905)
Leave Provision Fee	3.623	(725)	5.359	(1.072)
Severance Pay Provision Fee	0	0	246.221	(49.244)
Payable Rediscount	137.229	(27.446)	129.329	(25.866)
Severance Pay Actuerial Gain / (Loss)	287.554	(57.511)	11.860	(2.372)
Warranty Expense Provision Reversal	-	0	257.629	(51.526)
Deferred Tax Assets		1.343.113		949.504
Impairment of receivables	(216.295)	43.259	(942.860)	188.572
MDV Sales Adjustment	(224.940)	44.988	(51.996)	10.399
Corporate Tax Retained Earnings	(3.596.143)	719.229	-	-
Reclassification of Expenses Capitalized according to TPL	-	-	(3.591)	718
Finance Expense reduced from Assets	(9.753)	1.951		
Current Period IAS16, IAS 38 Amortization Expense	(909.950)	181.990	(1.116.306)	223.261
Impairment of inventories	(11.852)	2.370	(42.606)	8.521
Severance Pay Provision	(339.408)	67.882	(646.257)	129.251
Receivable Rediscount	(42.548)	8.510	(204.609)	40.922
Leave Provision Fee	(87.727)	17.545	(121.907)	24.381
Warranty Expense Provision	(121.372)	24.274	(269.544)	53.909
Provision for Doubtful Receivables	(39.736)	7.947	(42.428)	8.486
Severance Pay Actuerial Gain / (Loss)	(179.962)	35.992	(5.395)	1.079
Payable Rediscount (Reversal)	(129.329)	25.866	(131.725)	26.345
Deferred Tax Liability deducted from Real Estate (Intended Purpose) Value Fund	(806.550)	161.310		233.659
Net, Deferred Tax Receivables Reflected to Profit / (Loss)		691.398		129.288

Group, calculated Deferred Tax Asset for TRY 3.596.143 Deductible Loss according to 30.09.2014 dated reporting standarts issued by the Public Oversight Accounting and Auditing Standards Authority (POA). (31.12.2013: None.)

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2014

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

23. EARNING PER SHARE

	<u>01.01.2014 -</u> <u>30.09.2014</u>	<u>01.07.2014 -</u> <u>30.09.2014</u>	<u>01.01.2013 -</u> <u>30.09.2013</u>	<u>01.07.2013 -</u> <u>30.09.2013</u>
Earning Per Share				
Net Period Profit / (Loss) of Parent	6.926.035	801.089	(7.236.919)	(3.238.963)
Weighted Average Number of Shares	25.000.000	25.000.000	25.000.000	25.000.000
Operating Activities Per Share Profit / (Loss)	0,277	0,032	(0,289)	(0,130)
Operating Activities Diluted Per Share Profit / (Loss)	0,277	0,032	(0,289)	(0,130)

24. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS

a) Equity Risk Method

The aims of Company are to be beneficial for all shareholders and maintaining the best capital combination to reduce capital cost and keeping on entity when managing the capital.

The Company's capital risk management, calculating 8 as disclosed in note including loans, debts, and, respectively, of cash and cash equivalents, paid-in capital, defined benefit plans, re-measurement gains / losses, capital reserves, profit reserves and retained earnings / (loss) comprising shareholders' equity are taken into account.

Company capital cost and each risks regarding capital evaluate by executives. According to the evaluate company aim to equalise the capital structure by borrowing, redemption, dividend payment and issuance of shares.

The Company uses Liabilities / Equity rate while they follow capital sufficiency. This rate is found by net liabilities divided by total equity. Net liabilities is counted by cash and cash equivalents minus total liabilities which appears in balance sheet.

As at 30 September 2014 ve 31 December 2013, net Debt / Equity Ratio as follows:

	<u>30.09.2014</u>	<u>31.12.2013</u>
Total Payables	104.648.518	141.390.865
Less: Cash and Cash Equivalents	(2.388.482)	(6.227.985)
Net Debt	102.260.036	135.162.880
Total Equity	42.732.754	32.622.316
Debt / Equity Ratio	2,39	4,14

Group's aim is to reach high amount of profitability and equity and issue new shares for able to manage debts.

b) Exchange Risk Management

Foreign currency transactions expose the Company to foreign currency risk. These risks are monitored and limited by the analysis of foreign currency position.

Group's foreign currency monetary and non- monetary assets and liability details as follows;

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

24. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

b) Exchange Risk Management (continued)

Consolidated Foreign Currency Position Table	30.09.2014			31.12.2013			
	TRY Equivalent	USD	Euro	TRY Equivalent	USD	Euro	Gbp
1. Trade Receivables	44.256.418	11.386.605	6.331.702	53.832.557	9.093.577	11.722.845	0
2a. Monetary Financial Assets	10.994.307	447.398	3.449.793	5.442.908	202.653	1.702.657	3.000
2b. Non-monetary Financial Assets	5.981.730	1.334.000	1.017.389	5.508.110	734.239	1.298.018	36.850
3. Other							
4. Current Assets (1+2+3)	61.232.455	13.168.003	10.798.884	64.783.576	10.030.469	14.723.520	39.850
5. Trade Receivables							
6a. Monetary Financial Assets	7.065	3.100	0	12.489	3.100	2.000	
6b. Non-monetary Financial Assets							
7. Other							
8. Non-Current Assets (5+6+7)	7.065	3.100	0	12.489	3.100	2.000	0
9. Total Assets (4+8)	61.239.520	13.171.103	10.798.884	64.796.065	10.033.569	14.725.520	39.850
10. Trade Payables	15.874.799	5.361.644	1.264.491	16.834.138	6.001.922	1.370.419	0
11. Financial Liabilities	35.261.877	9.879.716	4.408.588	80.289.012	19.242.771	13.355.752	
12a. Other Monetary Liabilities							
12b. Other Non-Monetary Liabilities	27.127.252	10.357.077	1.218.963	18.184.794	3.430.802	3.699.109	
13. Short Term Liabilities (10+11+12)	78.263.929	25.598.438	6.892.041	115.307.944	28.675.495	18.425.280	0
14. Trade Payables							
15. Financial Liabilities	25.330.494	3.584.503	5.935.453	33.636.717	4.093.806	8.479.246	
16a. Monetary Other Liabilities							
16b. Non-monetary Other Liabilities							
17. Long-Term Liabilities (14+15+16)	25.330.494	3.584.503	5.935.453	33.636.717	4.093.806	8.479.246	0
18. Total Liabilities (13+17)	103.594.423	29.182.941	12.827.495	148.944.661	32.769.301	26.904.527	0
19. Off Balance Sheet Derivative Instruments Net Asset/ (Liability) position (19a-19b)							
19a. Hedged Assets Total							
19b. Hedged Liabilities Total							
20. Net Foreign Currency Assets / (Liability) Position (9-18+19)	(42.354.903)	(16.011.838)	(2.028.611)	(84.148.596)	(22.735.732)	(12.179.006)	39.850
21. Monetary Items Net Foreign Currency Assets / (Liability) Position (UFRS 7.B23) (1+2a+5+6a-10-11-12a-14-15-16a)	(21.209.381)	(6.988.761)	(1.827.037)	(71.471.912)	(20.039.169)	(9.777.915)	3.000
22. Total Fair Value of Financial Instruments used for Currency Hedge							

INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014

(Amounts expressed in Turkish Lira ("TRY") unless otherwise indicated)

24. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)**b) Exchange Risk Management (continued)**

The Company is exposed to foreign exchange risk arising primarily with respect to transactions denominated in USD, EURO and GBP.

The following table details the Company's sensitivity to a 10% increase and decrease in the TL against USD, Euro and GBP. 10% is used in the reporting of currency risk to the key management and it represents the management's expectation on the potential exchange rate fluctuations. Sensitivity analysis can only made on the year-end outstanding foreign currency denominated monetary items and it shows the year-end effects of the 10% of exchange currency fluctuation on the related items.

Exchange Rate Analysis Table		
	30 September 2014	30 September 2014
	Foreign Currency Appreciation	Foreign Currency Depreciation
In case of 10% change in USD against TRY		
1- USD net assets/liabilities	(3.650.920)	3.650.920
2- The amount of USD Hedging (-)		
3- USD Net Effect(1+2)	(3.650.920)	3.650.920
In case of 10% change in EUR against TRY		
4- EUR net assets/liabilities	(586.552)	586.552
5- The amount of EUR Hedging (-)		
6- EUR Net Effect (4+5)	(586.552)	586.552
In case of 10% change in GBP against TRY		
4- GBP net assets/liabilities		
5- The amount of GBP Hedging (-)		
6- GBPNet Effect (4+5)	-	-
Total (3+6+9+12)	(4.237.472)	4.237.472
	31 December 2013	31 December 2013
	Foreign Currency Appreciation	Foreign Currency Depreciation
In case of 10% change in USD against TRY		
1- USD net assets/liabilities	(1.141.656)	1.141.656
2- The amount of USD Hedging (-)		
3- USD Net Effect(1+2)	(1.141.656)	1.141.656
In case of 10% change in EUR against TRY		
4- EUR net assets/liabilities	(1.742.030)	1.742.030
5- The amount of EUR Hedging (-)		
6- EUR Net Effect (4+5)	(1.742.030)	1.742.030
In case of 10% change in GBP against TRY		
4- GBP net assets/liabilities	16.987	(16.987)
5- The amount of GBP Hedging (-)		
6- GBPNet Effect (4+5)	16.987	(16.987)
Total (3+6+9+12)	(2.866.699)	2.866.699

KATMERCİLER ARAÇ ÜSTÜ EKİPMAN SANAYİ VE TİCARET A.Ş. VE BAĞLI ORTAKLIKLARI**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated)

25. FINANCIAL INSTRUMENTS

	Financial Assets Fair Valued	Loans and Receivables (Including cash and cash equivalents)	Financial assets Available-for- sale	Amortized Other financial liabilities	Book value	Fair Value
30.09.2014						
Financial Assets						
Cash and Cash Equivalents	2.388.482				2.388.482	2.388.482
Trade Receivables		77.996.822			77.996.822	77.996.822
Financial Investments						
Financial Liabilities						
Financial Payables				102.798.022	102.798.022	102.798.022
Trade Payables				34.367.184	34.367.184	34.367.184
Other Financial Liabilities				1.850.496	1.850.496	1.850.496

	Financial Assets Fair Valued	Loans and Receivables (Including cash and cash equivalents)	Financial assets Available-for- sale	Amortized Other financial liabilities	Book value	Fair Value
31.12.2013						
Financial Assets						
Cash and Cash Equivalents	6.227.985				6.227.985	6.227.985
Trade Receivables		91.552.913			91.552.913	91.552.913
Financial Investments						
Financial Liabilities						
Financial Payables				139.455.264	139.455.264	139.455.264
Trade Payables				34.524.656	34.524.656	34.524.656
Other Financial Liabilities				1.935.601	1.935.601	1.935.601

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS OF 30 SEPTEMBER 2014**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated)

25. FINANCIAL INSTRUMENTS (continued)

Financial Instrument fair values determine as follows;

- First Level: Financial Instruments valuated with market values of the similar instruments which traded on active market.
- Second Level: Financial Instruments valuated with data uses to find price which observable directly or indirectly on the market in addition to first level.
- Third Level: Financial Instruments valuated with data which not based on data uses to find fair value of the instruments on the market.

Company does not have any financial assets and liabilities shown as fair values.

26. POST BALANCE SHEET EVENTS

None (31.12.2013: None).

27. DISCLOSURE OF OTHER MATTERS

None (31.12.2013: None).