Aksa Enerji Üretim Anonim Şirketi and its Subsidiaries

Interim Condensed Consolidated Financial Statements
As at and For The Three-Month Period
Ended 31 March 2019

10 May 2019

This report includes 51 pages of condensed consolidated financial statements together with their explanatory notes.

Aksa Enerji Üretim Anonim Şirketi and its Subsidiaries

Table of Content

(Amounts expressed in Turkish Lira unless otherwise stated.)

ASSETS	**Notes**	**Unaudited 31 March 2019**	**Audited 31 December 2018**
Current assets			
Cash and cash equivalents		116,463,204	53,026,362
Trade and other receivables		1,655,650,367	1,403,203,217
Due from related parties	*18*	337,199,436	406,262,617
Derivative financial assets	*15*	7,091,895	413,737
Inventories		195,621,864	369,140,605
Prepayments		19,292,339	15,312,166
Current tax assets		32,201,274	31,363,575
Other current assets		152,106,747	152,049,712
Total current assets		**2,515,627,126**	**2,430,771,991**
Non-current assets			
Financial investments		412,408	412,408
Trade receivables and other receivables		1,321,269	1,545,269
Property, plant and equipment	*9*	3,978,012,894	3,774,056,402
Intangible assets		96,569,188	91,845,092
Right of use assets	*10*	70,562,616	--
Goodwill		3,349,357	3,349,356
Prepayments		12,587,455	14,234,496
Deferred tax asset		193,341,632	125,276,334
Total non-current assets		**4,356,156,819**	**4,010,719,357**
TOTAL ASSETS		**6,871,783,945**	**6,441,491,348**

Aksa Enerji Üretim Anonim Şirketi and its Subsidiaries
Condensed Consolidated Statement of Financial Position
As at 31 March 2019
(Amounts expressed in Turkish Lira unless otherwise stated.)

LIABILITIES	**Notes**	**Unaudited 31 March 2019**	**Audited 31 December 2018**
Current liabilities			
Loans and borrowings	*14*	2,000,159,457	1,898,442,337
Short term finance lease liabilities		2,799,292	--
Finance lease liabilities from related parties	*14*	*2,661,303*	--
Finance lease liabilities from third parties	*14*	*137,989*	--
Other financial liabilities		315,499,900	246,368,464
Short term portion of long term finance lease liabilities		4,649,333	--
Trade payables and other payables		294,644,046	336,331,469
Due to related parties	*18*	199,085,905	239,348,509
Derivative financial liabilities	*15*	20,890,088	8,293,208
Taxation payable on income		85,577,635	71,354,527
Provisions		1,987,597	2,158,292
Other current liabilities		25,864,667	25,218,808
Total current liabilities		**2,951,157,920**	**2,827,515,614**
Non-current liabilities			
Loans and borrowings	*14*	1,474,980,612	1,586,768,204
Long term finance lease liabilities	*14*	63,093,446	--
Other financial liabilities		54,320,445	13,919,586
Reserve for employee severance indemnity		5,080,057	4,350,528
Deferred tax liabilities	*11*	229,493,873	184,734,615
Total non-current liabilities		**1,826,968,433**	**1,789,772,933**
Total liabilities		**4,778,126,353**	**4,617,288,547**
EQUITY			
Share capital	*12*	615,157,050	615,157,050
Legal reserve	*12*	64,980,588	48,267,560
Cash flow hedge reserves		(8,369,574)	(3,518,526)
Actuarial gain/loss		898,193	898,193
Translation reserves		209,303,973	43,037,685
Share premium		247,403,635	247,403,635
Gains on revaluation of property, plant and equipment		821,844,347	821,844,347
Accumulated losses		(147,451,288)	(156,832,331)
Net profit for the period		50,917,330	26,094,071
Total equity attributable to equity holders of the Company		**1,854,684,254**	**1,642,351,684**
Non-controlling interests	*12*	238,973,338	181,851,117
Total equity		**2,093,657,592**	**1,824,202,801**
TOTAL EQUITY AND LIABILITIES		**6,871,783,945**	**6,441,491,348**

Aksa Enerji Üretim Anonim Şirketi and its Subsidiaries
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Three-Month Period Ended 31 March 2019

(Amounts expressed in Turkish Lira unless otherwise stated.)

INCOME STATEMENT	Notes	Unaudited 1 January- 31 March 2019	Reviewed 1 January- 31 March 2018
Revenues	6	1,155,422,198	1,022,120,075
Cost of sales	6	(892,164,845)	(883,103,228)
Gross profit		**263,257,353**	**139,016,847**
Administrative expenses		(23,268,831)	(11,109,027)
Marketing and selling expenses		(663,209)	(209,160)
Other operating income		1,502,388	715,611
Other operating expenses		(2,641,310)	(2,095,163)
Operating profit		**238,186,391**	**126,319,108**
Impairment losses accordance with IFRS 9		(81,854)	(71,778)
Gain from investing activities		412,453	2,596,878
Operating profit before finance costs		**238,516,990**	**128,844,208**
Financial income	7	109,700,871	32,246,414
Financial expenses	7	(258,618,421)	(137,846,534)
Net financial costs		**(148,917,550)**	**(105,600,120)**
Profit before tax for the period		**89,599,440**	**23,244,088**
Tax benefit		**18,440,128**	**25,065,639**
Current tax expense		(5,921,463)	(2,503,238)
Deferred tax benefit	8	24,361,591	27,568,877
Profit for the period		**108,039,568**	**48,309,727**
Non-controlling interest		57,122,238	35,477,486
Attributable to equity holders of the parent		50,917,330	12,832,241
Total profit for the year from continuing operations		**108,039,568**	**48,309,727**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
Remeasurements of the defined benefit liability		--	(296,048)
Tax on items that will not be reclassified to profit or loss		--	38,179
Items that are or may be reclassified subsequently to profit or loss:			
Effective portion of changes in fair value of cash flow hedges		(6,063,831)	1,576,896
Foreign currency translation differences from foreign operations		166,266,288	57,041,261
Tax on items that are or may be reclassified subsequently to profit or loss		1,212,766	(315,381)
Other comprehensive income for the period, net off tax		**161,415,223**	**58,044,907**
Total comprehensive income for the period		**269,454,791**	**106,354,634**
Non-controlling interests		57,122,221	34,457,555
Attributable to equity holders of the parent		212,332,570	71,897,079

The accompanying notes form an integral part of those condensed consolidated financial statements

Aksa Enerji Üretim Anonim Şirketi and its Subsidiaries
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Three-Month Period Ended 31 March 2019
(Amounts expressed in Turkish Lira unless otherwise stated.)

SHAREHOLDERS' EQUITY	Share capital	Share premium	Legal reserves	Actuarial gain/ (loss)	Cash flow hedge reserve	Gains on revaluation of property, plant and equipment	Translation differences	Retained earnings/ Accumulated Losses	Net Profit	Total	Non-controlling interests	Total Equity
Balance at 31 December 2018	**615,157,050**	**247,403,635**	**48,267,560**	**1,566,073**	**2,060,997**	**882,386,856**	**25,486,345**	**(475,322,108)**	**257,947,268**	**1,604,953,676**	**57,466,771**	**1,662,420,447**
Net loss for the period	--	--	--	--	--	--	--	--	12,832,241	**12,832,241**	35,477,486	**48,309,727**
Actuarial gain / (loss)	--	--	--	(257,869)	--	--	--	--	--	**(257,869)**	--	**(257,869)**
Revaluation of PPE	--	--	--	--	--	(18,332,232)	--	18,332,232	--	--	--	--
Translation difference	--	--	--	--	--	--	58,061,175	--	--	**58,061,175**	(1,019,914)	**57,041,261**
Effective portion of changes in fair value of cash hedges	--	--	--	--	1,261,532	--	--	--	--	**1,261,532**	(17)	**1,261,515**
Total other comprehensive loss for the period	--	--	--	**(257,869)**	**1,261,532**	**(18,332,232)**	**58,061,175**	**18,332,232**	**12,832,241**	**71,897,079**	**34,457,555**	**106,354,634**
Transfer to retained earnings	--	--	--	--	--	--	--	257,947,268	(257,947,268)	--	--	--
Transaction with owners of the Company, recognized directly in equity	--	--	--	--	--	--	--	**257,947,268**	**(257,947,268)**	--	--	--
Balance at 31 March 2018	**615,157,050**	**247,403,635**	**48,267,560**	**1,308,204**	**3,322,529**	**864,054,624**	**83,547,520**	**(199,042,608)**	**12,832,241**	**1,676,850,755**	**91,924,326**	**1,768,775,081**

SHAREHOLDERS' EQUITY	Share capital	Share premium	Legal reserves	Actuarial gain/ (loss)	Cash flow hedge reserve	Gains on revaluation of property, plant and equipment	Translation differences	Retained earnings/ Accumulated Losses	Net Profit	Total	Non-controlling interests	Total Equity
Balance at 31 December 2018	**615,157,050**	**247,403,635**	**48,267,560**	**898,193**	**(3,518,526)**	**821,844,347**	**43,037,685**	**(156,832,331)**	**26,094,071**	**1,642,351,684**	**181,851,117**	**1,824,202,801**
Net profit for the period	--	--	--	--	--	--			50,917,330	**50,917,330**	57,122,238	108,039,568
Translation difference	--	--	--	--	--	--	166,266,288			**166,266,288**	--	**166,266,288**
Effective portion of changes in fair value of cash hedges	--	--	--	--	(4,851,048)	--				**(4,851,048)**	(17)	(4,851,065)
Total other comprehensive loss for the period	--	--	--	--	**(4,851,048)**	--	**166,266,288**	--	50,917,330	**212,332,570**	57,122,221	**269,454,791**
Transfer to retained earnings	--	--	16,713,028	--	--	--		9,381,043	(26,094,071)	--	--	--
Transaction with owners of the Company, recognized directly in equity	--	--	**16,713,028**	--	--	--		**9,381,043**	**(26,094,071)**	--	--	--
Balance at 31 March 2019	**615,157,050**	**247,403,635**	**64,980,588**	**898,193**	**(8,369,574)**	**821,844,347**	**209,303,973**	**(147,451,288)**	**50,917,330**	**1,854,684,254**	**238,973,338**	**2,093,657,592**

The accompanying notes form an integral part of those condensed consolidated financial statements

Aksa Enerji Üretim A.Ş.
Consolidated Statement of Cash Flow
For the Three-Month Period Ended 31 March 2019
(Amounts expressed in Euro unless otherwise stated.)

CASH FLOWS FROM OPERATING ACTIVITIES	**Notes**	**Unaudited 1 January- 31 March 2019**	**Reviewed 1 January- 31 March 2018**
Net profit for the period		**108,039,568**	**48,309,727**
Depreciation and amortization		112,652,450	90,998,271
Provision for employee severance indemnity		400,884	332,611
Interest expenses	7	206,736,314	104,638,905
Interest income	7	(31,175,757)	(4,598,188)
Tax benefit	8	(18,440,128)	(25,065,639)
Expense from derivative transactions, net		(4,739,664)	(7,725,514)
Gain on sale of property, plant and equipment and intangible assets		--	(2,596,879)
Unrealized foreign currency income/loss		185,134,834	3,032,114
Operating profit before working capital changes		**558,608,501**	**207,325,408**
Change in inventories		(79,621,575)	(88,121,752)
Change in trade and other receivables		(253,117,884)	(228,118,353)
Change in due from related parties		69,063,181	12,173,342
Change in trade and other payables		219,335,642	(39,792,953)
Change in due to related parties		(208,983,939)	97,692,625
Change in other current liabilities		515,831	(17,538)
Change in assets and liabilities held for sale		--	46,013,293
Change in other current assets		(6,257,214)	13,181,350
		299,542,543	**20,335,422**
Taxes paid		(82,298,675)	1,661,470
Employee termination indemnity paid		(378,426)	(58,645)
Interest paid		(154,107,628)	(104,638,905)
Interest received		31,175,757	4,598,188
Net cash provided from operating activities		**93,933,571**	**(78,102,471)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment and intangible assets	9	--	2,967,022
Purchases of property, plant and equipment	9	(3,203,666)	(10,605,169)
Purchases of intangible assets		(264,151)	(143,774)
Net cash provided from/(used in) investing activities		**(3,467,817)**	**(7,781,921)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issued bank borrowings	20	404,938,794	807,376,104
Repayments from issued debt instruments	20	(416,777,386)	(744,637,749)
Net cash outflow from derivatives		(15,159,000)	466,510
Net cash (used in)/provided from financing activities		**(26,997,592)**	**63,204,865**
NET DECREASE IN CASH AND CASH EQUIVALENTS		**63,468,162**	**(22,679,527)**
CASH AND CASH EQUIVALENTS AT 1 JANUARY		**52,995,042**	**59,546,471**
CASH AND CASH EQUIVALENTS AT 31 MARCH		**116,463,204**	**36,866,944**

The accompanying notes form an integral part of those condensed consolidated financial statements

(Amounts expressed in Turkish Lira unless otherwise stated.)

1. REPORTING ENTITY

Aksa Enerji Üretim A.Ş. ("Aksa Enerji" or "the Company") was established on 12 March 1997 to engage in constructing, lending and operating of electricity power plant, production and sale of electricity or energy production capacity to the customers. The Company's registered office address is Rüzgarlıbahçe Mahallesi, Özalp Çıkmazı, No:10, Kavacık-Beykoz, Istanbul / Turkey.

The shares of the Company have been registered in the Borsa İstanbul A.Ş. ("BIST") on 21 May 2010 under the name "AKSEN" and the shares are now publicly traded on the Istanbul Stock Exchange.

The main shareholder of the Company is Kazancı Holding A.Ş. ("Kazancı Holding").

Aksa Enerji and its subsidiaries are collectively referred to as "the Group" in this report. The details of the subsidiaries included in the consolidation are as follows:

			Voting power held (%)	
Name of subsidiary – Foreign Branch	**Principal activity**	**Place of operation**	**31 March 2019**	**31 December 2018**
Aksa Aksen Enerji Ticareti A.Ş. ("Aksa Aksen Enerji")	Electricity trade	Turkey	100.00	100.00
Aksa Energy Company Ghana Limited ("Aksa Enerji Ghana")	Electricity production	Ghana	75.00	75.00
Aksa Enerji Üretim A.Ş.-Y.Ş. ("Aksa Enerji – Y.Ş.")	Electricity production	TRNC	100.00	100.00
Aksa Ghana B.V. (Aksa Ghana B.V)	Holding company	Netherlands	100.00	100.00
Aksa Global Investment B.V. ("Aksa Global B.V.")	Holding company	Netherlands	100.00	100.00
Aksa Göynük Enerji Üretim A.Ş. ("Aksa Göynük Enerji")	Electricity production	Turkey	99.99	99.99
Aksa Madagascar B.V.	Holding company	Netherlands	100.00	100.00
Aksa Mali S.A.	Electricity production	Mali	100.00	100.00
Aksaf Power Ltd.("Aksaf Power")	Electricity production	Mauritius	58.35	58.35
İdil İki Enerji Sanayi ve Ticaret A.Ş. ("İdil İki Enerji")	Electricity production	Turkey	99.99	99.99
Overseas Power Ltd. ("Overseas Power")	Good and supply trade	Mauritius	100.00	100.00
Rasa Enerji Üretim A.Ş. ("Rasa Enerji")	Electricity production	Turkey	99.99	99.99

As of 31 March 2019, the number of employees of the Group is 964 (31 December 2018: 977).

Aksa Aksen Enerji:

Aksa Aksen Enerji was founded on 8 July 2015 by the Aksa Enerji with an ownership percent of 100,00% for the purpose of selling the electricity produced by the Group companies.

Aksa Energy Ghana

Aksa Energy Ghana was founded on 15 July 2015 by the Aksa Enerji in accordance with the electricity production and sale agreement signed with the Government of Republic of Ghana. With the commissioning of the first units, the power plant started its operations on 10 April 2017 with a capacity of 192.5 MW. The installed power of the power plant increased from 192.5 MW to 280 MW with a reserve capacity of 35 MW as of 1 August 2017. As of 19 November 2018, the installed capacity of Ghana Fuel Oil Power Plant increased from 280 MW to 370 MW and thus the guaranteed capacity has been increased from 223,5 MW to 332 MW. Aksa Energy Ghana, sells all of the electricity generated to Electricity Company of Ghana (ECG) based on a USD tariff as per the power purchase agreement (PPA).

1. REPORTING ENTITY (continued)

Aksa Enerji - Y.Ş.:

On 10 March 2009, Aksa Enerji- Y.Ş. made an electricity sale agreement with Electricity Distribution Company of Turkish Northern Cyprus ("KIB-TEK") by providing service through lending the power plant constituting of diesel generator groups established in Kalecik-TRNC. The contract period is 15+3 years starting from 1 April 2009 and KIB-TEK commits to purchase all of the electricity produced during the contract period.
In accordance with the capacity increase investments of Kalecik Power Plant in TRNC, the installed capacity has been increased by 33 MW by the instalment of two units with the same engine specifications from the power plants whose licenses were previously cancelled. With the increased installed capacity TRCN Kalecik Power Plant's availability has increased to 153 MW. Aksa Enerji-Y.Ş.'s land was leased from a third party in TRNC for 10 years on 12 February 2010 by Kazancı Holding. Aksa Enerji-Y.Ş. subleases from Kazancı Holding for 10 years.

Aksa Ghana B.V:

On 24 November 2016, Aksa Ghana B.V. was established in Holland as a holding Company of Aksa Energy Ghana.

Aksa Global B.V:

On 24 November 2016, Aksa Global was established in Holland to coordinate the foreign investments as a holding Company. Aksa Ghana B.V and Aksa Madagascar B.V are affiliated companies of Aksa Global B.V.

Aksa Göynük Enerji:

Aksa Göynük Enerji has a royalty agreement with General Directorate of Turkish Coal for the use of coal in Bolu-Göynük reservoir and Aksa Enerji has a licence for the utilisation of this coal in its power plant with 270 MW capacity.

On 28 October 2011, Aksa Enerji acquired 99,99% of all shares of Aksa Göynük Enerji from Kazancı Holding, the ultimate parent company. The main operations of Aksa Göynük Enerji are constructing, lending and operating of electricity power plant, production and sale of electricity and all kind of exploration and production of natural gas and petroleum resources and mining.

First unit of the power plant with 135 MW has started its operations as of 30 September 2015 and second unit of the power plant with 135 MW has started its operations as of 29 January 2016.

Aksa Madagascar B.V.:
On 19 October 2016, Aksa Madagascar B.V. was established as a holding company of Aksaf Power.

Aksa Mali S.A. :

On 6 February 2017, Aksa Mali SA was established for operating and maintenance coordination of Mali power plant. On 4 August 2017, the power plant became operational with 10 MW and 28 September 2017, the power plant reached 40 MW installed capacity.

Aksaf Power:

Aksa Enerji established Aksaf Power with participation by Aksa Enerji and a local partner with an ownership interest of 58,35% and 41,65%, respectively, in Mauritius for the purpose of constructing a Heavy Fuel Oil ("HFO") power plant with a total capacity of 120 MW in Republic of Madagascar and guaranteed sale of the electricity produced for 20 years. Aksaf Power started the construction of power plant upon receipt of the advances and guarantees in accordance with the agreement with Jiro Sy Rano Malagasy ("Jirama"), the public authority in Republic of Madagascar providing water and electricity services in this country.

In the power purchase agreement, tariff has been defined in US Dollars. The land, fuel oil, all license and permissions related to the project are being provided by Jirama. , The power plant reached the installed capacity of 50 MW on 4 August 2017 and the first phase of the contract was completed on 7 September 2017 when the power plant reached the capacity of 66 MW. The investment in the second phase, 54 MW, is expected to start after the completion of transmission lines in the country.

(Amounts expressed in Turkish Lira unless otherwise stated.)

1. REPORTING ENTITY (continued)

İdil İki Enerji:

In 2001, İdil İki Enerji was acquired by Koni İnşaat Sanayi A.Ş. ("Koni İnşaat"), a related party, from Bilkent Group. Idil İki Enerji has a fuel oil fired power plant located in Şırnak with a capacity of 24 MW. The power plant started its operations in 2001. On 5 March 2010, Aksa Enerji acquired 99,99% of all shares of İdil İki İnşaat from Koni İnşaat. Licence of power plant has been cancelled on 7 February 2017.

Overseas Power

Overseas Power was established on 18 November 2016 in Mauritius in order to carry out the procurement of raw materials and goods mainly related to the activities of Aksaf Power. Overseas Power is dormant as of the reporting date.

Rasa Elektrik:

Rasa Elektrik was established in İstanbul on 30 January 1996 with the under the name "Rasa Radyator Sanayi A.Ş." in order to produce oil and water cooler for vehicles, agricultural machinery and generators. Rasa Radyator changed its name to "Rasa Elektrik Üretim A.Ş." with the decision taken in the extraordinary general assembly meeting dated 12 November 2018. Rasa Elektrik completed the construction of the mobile plant in Mardin in 2001. The license of the power plant was canceled on 26 January 2017.
The land over which the power plant is located in Mardin, has been leased from Koni İnşaat A.Ş. ("Koni İnşaat") in 2002, to be renewed annually. In November 2013, part of the manufacturing of radiators was split and received the title which was the Rasa Endüstriyel Radyatörler Sanayi ve Ticaret A.Ş. On 21 May 2018, shares of Rasa Elektrik were taken over by Aksa Göynük Enerji.

Rasa Enerji:

Rasa Enerji was established on 12 September 2000 for production and distribution of electricity. Rasa Enerji's 99,99% shares have been acquired by Aksa Enerji on 05 March 2010 from one of the related parties of Koni İnşaat.

Urfa plant started to generate electricity in August 2011 with an installed capacity of 129 MW and the investment to transform the plant into a combined cycle engine driven technology was completed in 2012.

In accordance with the capacity increase works of Şanlıurfa Natural Gas Power Plant, 18 MW capacity has been accepted by the Ministry of Energy and Natural Resources and commissioned on 18 November 2015. Thus, the installed capacity of Şanlıurfa Natural Gas Power Plant is increased to 147 MW.

As of 31 March 2019, electricity production licenses held by the Group are as follows:

Licence Owner	Location	Type of Facility	Date of Licence Started	Licence Duration	The capacity of the plant (MWe)	The capacity in use (MWe)
Aksa Enerji	TRNC	Fuel oil	10 March 2009	15+3	153	153
Aksa Enerji	Antalya	Natural Gas	13 November 2007	30 years	900	900
Aksa Enerji	Manisa	Natural Gas	21 February 2008	30 years	115	--
Aksa Göynük	Bolu	Thermal	25 March 2008	30 years	270	270
Aksa Enerji Gana	Gana	Fuel Oil	1 August 2017	6,5 years	370	280
Aksa Mali S.A	Mali	Fuel Oil	28 September 2017	3 years	40	40
Aksaf Power	Madagascar	Fuel Oil	5 September 2017	20 years	66	66
Rasa Enerji	Şanlıurfa	Natural Gas	12 May 2011	49 years	147	147
Total					**2,061**	**1,946**

2. BASIS OF PREPARATION

a) Statement of compliance

The condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs").

The condensed consolidated financial statements as at and for the three-month period ended 31 March 2019 were approved by the Board of Directors on 10 May 2018.

b) Basis of measurement

The condensed consolidated financial statements have been prepared on the historical cost basis and for the Group's Turkish entities as adjusted for the effects of inflation that lasted by 31 December 2005, except for the followings:

- derivative financial instruments are measured at fair value,
- land and building and land improvements and machinery and equipment in property, plants and equipment are measured at fair value,

The methods used to measure the fair values are discussed further in Note 4.

The financial statements of subsidiaries that report in the currency of an economy formerly accepted as hyperinflationary (Turkey) are restated in terms of the measuring unit current at the reporting dates until 31 December 2005. Turkey came off highly inflationary status for the period beginning after 15 December 2005, therefore restatement for IAS 29 ("Financial Reporting in Hyperinflationary Economies") has not been applied since 1 January 2006.

c) Functional and presentation currency

The Company and its subsidiaries operating in Turkey maintain their books of account and prepare their statutory financial statements in Turkish Lira ("TL") in accordance with the accounting principles as promulgated by the Turkish Commercial Code and Tax Procedure Law. The foreign subsidiaries maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered.

The accompanying condensed consolidated financial statements expressed in TL. All financial information presented in TL has been rounded to the nearest TL amounts, except when otherwise indicated.

The table below summarizes functional currencies of the Group entities.

Company	**Functional currency**
Aksa Enerji A.Ş.– Y.Ş.	US Dollars ("USD")
Rasa Enerji	TL
İdil İki Enerji	TL
Aksa Göynük Enerji	TL
Aksa Aksen Enerji	TL
Aksa Energy Ghana	USD
Aksa Ghana B.V	EUR
Aksa Global B.V.	EUR
Aksa Madagascar B.V.	EUR
Aksa Mali S.A.	EUR
Aksaf Power	USD
Overseas Power	USD

2. BASIS OF PREPARATION (continued)

c) Functional and presentation currency (continued)

Functional currencies are used to a significant extent in, or have a significant impact on the operations of the related Group entities and reflect the economic substance of the underlying events and circumstances relevant to these entities. All currencies other than the currencies selected for measuring items in the condensed consolidated financial statements are treated as foreign currencies. Accordingly, transactions and balances not already measured in the functional currencies have been re-measured to the related functional currencies in accordance with the relevant provisions of IAS 21, "*The Effects of Changes in Foreign Exchange Rates*".

d) Basis of consolidation

i) Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss.

ii) Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's condensed consolidated financial statements. The components of equity of the acquired entities are added to the same components within the Group equity and any gain/loss arising is recognised directly in equity.

iii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls a business when exposure, or rights, to variable returns due to its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's returns. The financial statements of subsidiaries are included in the condensed consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

iv) Non-controlling interests

The Group measures any non-controlling interests in the acquiree at their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognised in profit or loss.

2. BASIS OF PREPARATION (continued)

d) Basis of consolidation (continued)

v) Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any NCI and other components of equity related to the subsidiary. Any resulting gain or loss arising on the loss of control is recognized in profit or loss. Any interest retained in the former subsidiary, then such interest is measured at fair value at the date when control is lost.

vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the condensed consolidated interim financial statements.

Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment. Carrying value of shares owned by the Group and dividends arising from these shares has been eliminated in equity and profit or loss accounts.

e) Foreign currency

i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between the amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognized in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments (except on impairment in which case foreign currency differences that have been recognized in other comprehensive income are reclassified to profit or loss), a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or qualifying cash flow hedges to the extent the hedge is effective.

ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to TL at exchange rates at the reporting date. The income and expenses of foreign operations are translated to TL at average exchange rates at the dates of the transactions.

Foreign currency differences are recognized in other comprehensive income, and presented in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportion of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

(Amounts expressed in Turkish Lira unless otherwise stated.)

2. BASIS OF PREPARATION (continued)

e) Foreign currency (continued)

ii) Foreign operations (continued)

When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operations is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognized in other comprehensive income, and presented within equity in the translation reserve.

The EUR/TL, USD/TL, GHS/USD and TL/USD as at 31 March 2019 and 31 December 2018 are as follows:

	31 March 2019	31 December 2018
EUR/TL	6.3188	6.0280
USD/TL	5.6284	5.2609
GHS/USD	0.1968	0.2076
TL/USD	0.1777	0.1900

3. SIGNIFICANT ACCOUNTING POLICIES

a) Summary of significant accounting policies

Except as described below, the accounting policies applied in these interim condensed financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2018.

IFRS 16 Leases

The changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending 31 December 2019.

The Group has initially adopted IFRS 16 Leases from 1 January 2019. A number of other new standards are effective from 1 January 2019 but they do not have a material effect on the Group's financial statements.

IFRS 16 introduced a single on-balance sheet accounting model for lessees. As a result, the Group, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lessor accounting remains similar to previous accounting policies.

The Group has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019. Accordingly, the comparative information presented for 2018 has not been restated – i.e. it is presented, as previously reported, under IAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below.

i) Definiton of a lease

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 Determining Whether an Arrangement contains a Lease. The Group now assesses whether a contract is or contains a lease based on the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

On transition to IFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which it is a lessee, the Group has elected not to separate non-lease components and will instead account for the lease and non- lease components as a single lease component.

(Amounts expressed in Turkish Lira unless otherwise stated.)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Summary of significant accounting policies (continued)

IFRS 16 Leases *(continued)*

ii) As a lessee

The Group leases many assets, including land of power plants, vehicles and buildings.

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the Group recognises right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet.

However, the Group has elected not to recognise right-of-use assets and lease liabilities for some leases of low-value assets (e.g. IT equipment). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group has presented the right of use assets under a separate line in the consolidated financial statements under the name "right of use assets".

Book value of right of use assets are presented below:

	Land of power plants	Buildings	Vehicles	Total
Balance at 1 January 2019	63,767,476	5,620,506	3,726,356	**73,114,338**
Balance at 31 March 2019	62,950,206	4,547,498	3,064,912	**70,562,616**

The Company presents lease liabilities in 'loans and borrowings' in the statement of financial position.

a. Significant accounting policies

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. When a right-of-use asset meets the definition of investment property, it is presented in investment property. The right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's accounting policies.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

b. Transition

Previously, the Group classified property leases as operating leases under IAS 17.These include stores,warehouse, vehicle and general administrative office. Some leases provide for additional rent payments that are based on changes in local price indices.

(Amounts expressed in Turkish Lira unless otherwise stated.)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Summary of significant accounting policies (continued)

IFRS 16 Leases *(continued)*

ii) As a lessee *(continued)*

b. Transition *(continued)*

At transition, for leases classified as operating leases under IAS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 January 2019. Right-of-use assets are measured at either:

– an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments – the Group applied this approach to all other leases.

The Group used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17.

– Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.

– Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.

– Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The Group leases a number of items of production equipment. These leases were classified as finance leases under IAS 17. For these finance leases, the carrying amount of the right-of-use asset and the lease liability at 1 January 2019 were determined at the carrying amount of the lease asset and lease liability under IAS 17 immediately before that date.

iii) Impacts on consolidated financial statements

a) Impacts on transition

On transition to IFRS 16, the Company recognised additional right-of-use assets, including additional lease liabilities. The impact on transition is summarised below.

Right of use assets as of 1 January 2019	73,114,338
Right of use assets (previously classified as financial leasing in accordance with TAS 17)	2,551,722
Right of use assets as of 1 January 2019 as of 31 March 2019	70,562,616

b) Impacts for the period

As a result of initially applying IFRS 16, in relation to the leases that were previously classified as operating leases, the Group recognised TL 73,013,485 right-of-use assets and TL 70,542,071 of lease liabilities as at 31 March 2019. Also in relation to those leases under IFRS 16, the Group has recognised depreciation and interest costs, instead of operating lease expense. During the three months ended 31 March 2019, the Group recognised TL 2,450,869 of depreciation charges and TL 3,189,076 of interest costs from these leases.

3. SIGNIFICANT ACCOUTING POLICIES (continued)

b) Standards issued but not yet effective and not early adopted

The new standards, amendments and interpretations that are issued by the IASB but not issued by POA)

The following standards, interpretations and amendments to existing IFRS standards are issued by the IASB but these standards, interpretations and amendments to existing IFRS standards are not yet adapted/issued to TFRS by the POA, thus they do not constitute part of TFRS. Such standards, interpretations and amendments that are issued by the IASB but not yet issued by the POA are referred to as IFRS or IAS. The Group will make the necessary changes to its consolidated financial statements after the new standards and interpretations are issued and become effective under TFRS.

The revised Conceptual Framework

The revised Conceptual Framework issued on 28 March 2018 by the IASB. The Conceptual Framework sets out the fundamental concepts for financial reporting that guide the Board in developing IFRS Standards. It helps to ensure that the Standards are conceptually consistent and that similar transactions are treated the same way, so as to provide useful information for investors, lenders and other creditors. The Conceptual Framework also assists companies in developing accounting policies when no IFRS Standard applies to a particular transaction, and more broadly, helps stakeholders to understand and interpret the Standards. The revised Framework is more comprehensive than the old one – its aim is to provide the Board with the full set of tools for standard setting. It covers all aspects of standard setting from the objective of financial reporting, to presentation and disclosures. For companies that use the Conceptual Framework to develop accounting policies when no IFRS Standard applies to a particular transaction, the revised Conceptual Framework is effective for annual reporting periods beginning on or after 1 January 2020, with earlier application permitted.

Amendments to IAS 1 and IAS 8 - Definition of Material

In October 2018 the IASB issued Definition of Material (Amendments to IAS 1 and IAS 8). The amendments clarify and align the definition of 'material' and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS Standards. Those amendments are prospectively effective for annual periods beginning on or after 1 January 2020 with earlier application permitted.

The Group does not expect that application of these amendments to IAS 1 and IAS 8 will have significant impact on its consolidated financial statements.

Amendments to IFRS 3 - Definition of a Business

Determining whether a transaction results in an asset or a business acquisition has long been a challenging but important area of judgement. The IASB has issued amendments to IFRS 3 Business Combinations that seek to clarify this matter. The amendments include an election to use a concentration test. This is a simplified assessment that results in an asset acquisition if substantially all of the fair value of the gross assets is concentrated in a single identifiable asset or a group of similar identifiable assets. If a preparer chooses not to apply the concentration test, or the test is failed, then the assessment focuses on the existence of a substantive process. The amendment applies to businesses acquired in annual reporting periods beginning on or after 1 January 2020. Earlier application is permitted.

The Group does not expect that application of these amendments to IFRS 3 will have significant impact on its consolidated financial statements.

c) Significant accounting assessments, estimates and assumptions

In order to prepare financial statements in accordance with TMS, certain assumptions affecting notes to the financial statements and critical accounting estimations related to assets, liabilities, contingent assets and contingent liabilities are required to be used. Although these estimations are made upon the best afford of the management by interpreting the cyclical circumstances, actual results may differ from the forecasts. Issues that are complex and needs further interpretation, which might have a critical impact on financial statements. There is no change in judgments and critical accounting estimates compared to prior year used in interim condensed consolidated financial statements as at and for the three-months period ended on 31 March 2018.

4. DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows discounted at the market rate of interest at the reporting date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. These fair values are determined for disclosure purposes.

ii) Derivatives

The fair value of interest rate swaps are based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group when appropriate.

iii) Non-derivative financial liabilities

Other non-derivative financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cashflows, discounted at the market rate of interest at the measurement date.

iiii) Property, plant and equipment

Land and land improvements and building and machinery and equipment are measured at fair value, assumptions are disclosed on Note 9. Valuation of tangible assets has been performed by TSKB Gayrımenkul Değerleme A.Ş. which is an independent professional valuation expert.

5. FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these condensed consolidated financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Group considers its risks in respect of financial risks (credit, market, geographical, foreign exchange, liquidity and interest rate), operational and legal risks. The Group's risk management policies are established to identify and analyze the risk faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Internal audit plans are based on risk assessments as well as the issues highlighted by the Audit Committee of Aksa Enerji management. Risk assessment is conducted on a continuous basis so as to identify not only existing risks but also emerging risks. Formally, risk assessment is made annually but more often if necessary.

5. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and bank balances.
The Group has procedures in place to ensure that services are provided to customers with an appropriate credit history. The carrying amount of trade or other receivables, net of provision for impairment of receivables, and the total of cash and cash equivalents, and restricted bank balances represent the maximum amount exposed to credit risk. The main customer is TEİAŞ. Based on past history with these customers, the Group management believes there is no significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group buys derivatives, and also incur financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by lenders and executives of the Group. The Group applies hedge accounting in order to manage volatility in interest rates.

i) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group has exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. As at 31 March 2018, the Group had balances that are denominated in a currency other than the respective functional currencies of Group entities, primarily TL, but also GHS which are disclosed within the relevant notes to these condensed consolidated for the year ended financial statements. The currencies in which these transactions primarily denominated are USD and EUR. The Group manages this currency risk by maintaining foreign currency cash balances and using some financial instruments as mentioned in Note 17.

ii) Interest rate risk

Group, exposes interest rate risk due to reprising of variable interest rate borrowing risk of bank loans and financial lease liabilities. The aim of risk management is to optimize net interest gains and market interest rate in accordance with company policies The Group signed interest rate swap related with some variable rate borrowings.

Capital management

The main objective of the Company's capital management is to maintain a strong capital ratio in order to support its future development of the business and maintain an optimal capital structure to reduce cost of capital.

The Company manages its capital structure and makes adjustments on it according to its growth and economic conditions and competition at the market. In order to maintain or adjust the capital structure, the shareholders may make a direct cash contribution of the needed working capital to the Company.

There were no changes in the Group's approach to capital management during the period.

(Amounts expressed in Turkish Lira unless otherwise stated.)

6. REVENUE

The details of the Group's revenue, for the three-month period ended on 31 March is as follows:

	1 January- 31 March 2019	1 January- 31 March 2018
Domestic sales	688,297,562	616,204,018
Foreign sales	467,124,636	405,916,057
Net sales	**1,155,422,198**	**1,022,120,075**
Cost of sales (-)	(892,164,845)	(883,103,228)
Gross profit	**263,257,353**	**139,016,847**

	1 January- 31 March 2019	1 January- 31 March 2018
Revenue – amount		
Electricity	1,138,303,248	1,022,102,267
Other	17,118,950	17,808
Total	**1,155,422,198**	**1,022,120,075**
Gross margin - amount		
Electricity	262,401,406	139,003,494
Other	855,947	13,353
Total	**263,257,353**	**139,016,847**

(Amounts expressed in Turkish Lira unless otherwise stated.)

7. FINANCIAL INCOME AND FINANCIAL EXPENSES

The details of the Group's financial income and expenses, for the three-month period ended on 31 March is as follows:

Financial income	**1 January-31 March 2019**	**1 January-31 March 2018**
Foreign exchange gain, net	73,785,450	19,911,197
Interest and discount income from related parties (Note 18)	24,481,354	3,867,916
Interest and discount income	6,694,403	730,273
Income from derivative transactions	4,739,664	7,737,028
Total	**109,700,871**	**32,246,414**

Financial expenses	**1 January-31 March 2019**	**1 January-31 March 2018**
Interest and discount expenses	190,123,598	102,607,338
Foreign exchange loss from borrowings, net	43,368,395	28,055,989
Interest expense on financial liabilities and loans to related parties (Note 18)	16,612,716	2,031,567
Guarantee letters and bank commission expenses	8,513,712	5,140,126
Bond issued, interest and expenses	--	11,514
Total	**258,618,421**	**137,846,534**

8. TAXATION

Turkey

Corporate income tax is levied on the statutory corporate income tax base, which is determined by modifying income for certain tax exclusions and allowances.

Corporate income tax is levied at the rate of 22% (2018: 22%) and advance tax returns are filed on a quarterly basis. However, according to the Article 91 of the Law numbered 7061 "Legislation on Amendment of Certain Tax Legislation and Other Certain Legislation" which was published on the Official Gazette numbered 30261 on 5 December 2017 and according to the provisional clause 10 added to the Corporate Tax Law numbered 5520; corporate tax rate for the taxation periods of 2018, 2019 and 2020 is amended to 22%, which would later be applied as 20% at the end of these periods. During these periods, Council of Ministers is entitled to decrease the corporate tax rate of 22% to 20%.

According to the new Corporate Tax Law, 75% (2018: 75%) of the capital gains arising from the sale of properties and investments owned for at least two years are exempted from corporate tax on the condition that such gains are kept under equity as restricted funds within five years from the date of the sale. The remaining 25% of such capital gains are subject to corporate tax.

8. TAXATION (continued)

Turkey (continued)

The tax legislation provides for a temporary tax of 22% (2018: 22%) to be calculated and paid based on earnings generated for each quarter for the three month period ended 31 March 2018. The amounts thus calculated and paid are offset against the final corporate tax liability for the year. With the amendment to the Law, corporate rate is set to 22% for the years 2018, 2019 and 2020. 75% of the income derived by entities from the sale of participation shares, immovable property, preferential rights, founders' shares and redeemed shares which are carried in assets at least for two years is exempt from corporate tax as of 31 March 2018. However, according to the amendments by Law numbered 7061, this rate is reduced from 75% to 50% and tax declarations starting from 2018 will be calculated using 50%.

There is also a withholding tax on the dividends paid and is accrued only at the time of such payments. According to the amendments in the tax legislations, which became effective from 24 April 2003, dividends that are paid to the shareholders from the profits of the years between 1999 and 2002 are immune from the withholding tax, if such profits are exempted from corporation tax bases of the companies. As per the decision no.2006/10731 of the Council of Ministers published in the Official Gazette no.26237 dated 23 July 2006, certain duty rates included in the articles no.15 and 30 of the new Corporate Tax Law no:5520 revised. Accordingly, the withholding tax rate on the dividend payments other than the ones paid to the non-resident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions, was increased from 10% to 15%. In applying the withholding tax rates on dividend payments to the non-resident institutions and the individuals the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account.

In Turkey, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for taxes shown in the condensed consolidated financial statements reflects the total amount of taxes calculated on each entity that are included in the consolidation.

Under the Turkish taxation system, tax losses can be carried forward to be offset against future taxable income for up to five years. Tax losses cannot be carried back.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within four months following the close of the accounting year to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue reassessments based on their findings.

Transfer pricing regulations

In Turkey, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

If a tax payer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

Tax applications for foreign subsidiaries of the Group

Republic of Ghana

The applicable corporate tax rate in Republic of Ghana is 25% (31 December 2018: 25%).

Turkish Republic Of Northern Cyprus ("KKTC")

The applicable corporate tax rate in KKTC is 23,5% (31 December 2018: 23,5%).

Netherlands

Corporate income tax is levied at the rate of 20% (31 December 2018: 20%) on the worldwide income of resident companies, which is determined by modifying accounting income for certain exclusions and allowances for tax purposes for the year 2017. A unilateral decree for the avoidance of double taxation provides relief for resident companies from Dutch tax on income, such as foreign business profits derived through a permanent establishment abroad, if no tax treaty applies. There is an additional dividend tax of 5% computed only on the amounts of dividend distribution at the time of such payments.

(Amounts expressed in Turkish Lira unless otherwise stated.)

8. TAXATION (continued)

Netherlands (continued)

Under the Dutch taxation system, tax losses can be carried forward to be offset against future taxable income for nine years. Tax losses can be carried back to offset profits up to one year. Entities must file their tax returns within six months following the close of the tax year to which they relate, unless the company applies for an extension (normally an additional nine months). Tax returns are open for five years from the date of final assessment of the tax return during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Republic Of Mauritius

The applicable corporate tax rate in Mauritius 0% (31 December 2018: 0%).

Republic Of Mali

The applicable corporate tax rate in Mali 25% (31 December 2018: 25%).

Madagascar

The applicable corporate tax rate in Madagascar 20% (31 December 2018: 20%).

Tax recognized in profit or loss

Income tax income for the three-month period ended 31 March comprised the following items:

	1 January-31 March 2019	**1 January-31 March 2018**
Current tax expense		
Current period tax expense	(5,921,463)	(2,503,238)
Deferred tax expense		
Origination and reversal of temporary differences	24,361,591	27,568,877
Total tax income	**18,440,128**	**25,065,639**

9. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at 31 March 2019 and 31 December 2018 as follows:

	31 March 2019	**31 December 2018**
Property, plant and equipment	3,932,455,247	3,714,470,557
Mining assets	45,557,647	59,585,845
Total	**3,978,012,894**	**3,774,056,402**

(Amounts expressed in Turkish Lira unless otherwise stated.)

9. PROPERTY, PLANT AND EQUIPMENT (continued)

The movements of property and equipment comprise fixed asset and mining assets and related accumulated depreciation for the three-month period ended 31 March were as follows:

Cost	Land and buildings and land improvements	Machinery and equipment	Vehicles	Furniture and fixtures	Leasehold improvements	Constructi on in progress	Total
Balance at 1 January 2019	**150,463,925**	**4,975,385,471**	**4,312,293**	**14,233,479**	**26,810,511**	**78,220,961**	**5,249,426,640**
Effect of movements in exchange rates	2,717,464	143,465,979	314,637	399,794	--	5,123,909	**152,021,783**
Additions	--	2,469,554	195,215	154,102	--	384,796	**3,203,667**
Transfers	62,099	257,584,120	--	--	--	(581,819)	**257,064,400**
Balance at 31 March 2019	**153,243,488**	**5,378,905,124**	**4,822,145**	**14,787,375**	**26,810,511**	**83,147,847**	**5,661,716,490**
Accumulated depreciation							
Balance at 1 January 2019	**16,527,317**	**1,502,744,760**	**1,231,642**	**10,566,137**	**3,886,227**	**--**	**1,534,956,083**
Depreciation for the period	3,609,613	102,581,214	174,901	485,676	1,781	--	**106,853,185**
Effect of movements in exchange rates	12,061,140	75,185,433	68,526	136,876	--	--	**87,451,975**
Balance at 31 March 2019	**32,198,070**	**1,680,511,407**	**1,475,069**	**11,188,689**	**3,888,008**	**--**	**1,729,261,243**
Carrying amount as of 31 March 2019	**121,045,418**	**3,698,393,717**	**3,347,076**	**3,598,686**	**22,922,503**	**83,147,847**	**3,932,455,248**

(Amounts expressed in Turkish Lira unless otherwise stated.)

9. PROPERTY, PLANT AND EQUIPMENT (continued)

Cost	Land and buildings and land improvements	Machinery and equipment	Vehicles	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
Balance at 1 January 2018	**128,098,665**	**4,294,400,424**	**3,519,590**	**12,529,180**	**26,792,310**	**111,719,413**	**4,577,059,582**
Effect of movements in exchange rates	2,373,196	64,745,336	105,220	105,074	--	1,509,143	**68,837,969**
Additions	32,751	5,604,025	--	208,248	--	4,760,145	**10,605,169**
Disposals	--	(72,445)	--	(3,845)	(636)	(364,668)	**(441,594)**
Balance at 31 March 2018	**130,504,612**	**4,364,677,340**	**3,624,810**	**12,838,657**	**26,791,674**	**117,624,033**	**4,656,061,126**
Accumulated depreciation							
Balance at 1 January 2018	**6,363,919**	**990,927,731**	**795,296**	**9,314,568**	**3,863,953**	**--**	**1,011,265,467**
Depreciation for the period	7,612,501	81,349,389	47,406	226,266	5,475	--	**89,241,037**
Disposals	--	(60,371)	--	(2,718)	(636)	--	**(63,725)**
Effect of movements in exchange rates	380,547	15,507,317	37,947	34,814	--	--	**15,960,625**
Balance at 31 March 2018	**14,356,967**	**1,087,724,066**	**880,649**	**9,572,930**	**3,868,792**	**--**	**1,116,403,404**
Carrying amount as of 31 March 2018	**116,147,645**	**3,276,953,274**	**2,744,161**	**3,265,727**	**22,922,882**	**117,624,033**	**3,539,657,722**

(Amounts expressed in Turkish Lira unless otherwise stated.)

9. PROPERTY, PLANT AND EQUIPMENT (continued)

Construction in progress

At 31 March 2019 and 31 December 2018, construction in progress represents, stationary export and import warehouse.

Project	31 March 2019	Technical completion rate (%)	31 December 2018	Technical completion rate (%)
Ghana investment	42,470,869	99%	38,981,159	99%
Bolu Göynük power plant investment	4,342,761	99%	4,693,286	99%
Kıbrıs Kalecik – Mobile power plant investment	14,665,929	99%	13,708,334	99%
Other (*)	21,668,288		20,838,182	
Total	**83,147,847**		**78,220,961**	

(*) This balance comprises of ongoing investment projects in Africa.

Mining assets

At 31 March 2019 and 2018, mining assets comprise mining development assets and stripping cost.

Cost:	**31 March 2019**	**31 March 2018**
Stripping costs	58,154,935	64,093,865
Mining development assets	5,477,772	5,477,773
Total	**63,632,707**	**69,571,638**
Amortization:		
Stripping costs	17,842,727	10,287,805
Mining development assets	232,333	232,333
Total	**18,075,060**	**10,520,138**
Carrying amount	**45,557,647**	**59,051,500**

(Amounts expressed in Turkish Lira unless otherwise stated.)

10. RIGHT OF USE ASSETS

	Land of power plants	Buildings	Vehicles
Balance at 1 January 2019	**63,767,476**	**5,620,506**	**3,726,356**
Depreciation expense	(817,270)	(1,073,008)	(458,873)
Balance at 31 March 2019	**62,950,206**	**4,547,498**	**3,267,483**

The Group, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments.

The transition effect of the Group in accordance with IFRS 16 is explained in Note 3.a.

11. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax is provided in respect of taxable temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, except for the differences relating to goodwill not deductible for tax purposes and the initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

Recognized deferred tax assets and liabilities

Deferred tax assets and deferred tax liabilities at 31 March 2019 and 31 December 2018 are attributable to the items detailed in the table below:

	31 March 2019	31 December 2018
	Asset / (Liability)	**Asset / (Liability)**
Property and equipment and intangible assets	(128,102,816)	(145,202,981)
Provision to doubtful receivables	4,387,099	2,514,943
Inventory impairment loss	356,531	356,531
Derivatives	2,759,639	(39,336)
Loans and borrowings	(1,321,066)	(2,523,404)
Reserve for employee severance indemnity	728,419	701,912
Bonds issued	1,687,803	1,460,050
Litigation provisions	57,394	57,394
Vacation pay liability	244,135	298,282
Other asset	(1,120,914)	(1,470,797)
Losses carried forward	85,005,083	85,005,083
Other	(833,548)	(615,958)
Net deferred tax liabilities	**(36,152,241)**	**(59,458,281)**
Deferred tax asset	193,341,632	125,276,334
Deferred tax liability	(229,493,873)	(184,734,615)
Net deferred tax liabilities	**(36,152,241)**	**(59,458,281)**

(Amounts expressed in Turkish Lira unless otherwise stated.)

11. DEFERRED TAX ASSETS AND LIABILITIES (continued)

Recognized deferred tax assets and liabilities

Movements in deferred tax balances for the three-month period ended 2018 and 2017 are as follows:

	1 January 2019	*Effects of translation*	*Recognized in profit or loss*	*Recognized in other comprehensive income*	*31 March 2019*
Total deferred tax liabilities	**(59,458,281)**	(2,268,317)	24,361,591	1,212,766	**(36,152,241)**

	1 January 2018	*Effects of translation*	*Recognized in profit or loss*	*Recognized in other comprehensive income*	*31 March 2018*
Total deferred tax assets	**(96,618,904)**	(460,611)	27,568,877	(277,202)	**(69,787,840)**

12. CAPITAL AND RESERVES

Paid in capital

At 31 March 2019, the Group's statutory nominal value of authorized and paid-in share capital is TL 613,169,118 (31 December 2018: TL 613,169,118) (comprising of 613,169,118 registered shares (31 December 2018: 613,169,118) having par value of TL 1 (31 December 2017: TL 1) each).

At 31 March 2019 and 31 December 2018, the shareholding structure of the Company was as follows:

	31 March 2019		**31 December 2018**	
Shareholders	**(%)**	**Amount**	**(%)**	**Amount**
Kazancı Holding	78.60	481,976,743	78.60	481,976,743
Public share	21.39	131,158,000	21.39	131,158,000
Other	0.01	34,375	0.01	34,375
Inflation adjustment to share capital	--	1,987,932	--	1,987,932
Paid in capital in TL (nominal)	**100.00**	**615,157,050**	**100.00**	**615,157,050**

	31 March 2019		**31 December 2018**	
Group	**(%)**	**Amount**	**(%)**	**Amount**
A Group (Registered share)	47.93	293,896,220	47.93	293,896,220
B Group (Bearer share)	52.07	319,272,898	52.07	319,272,898
Inflation adjustment to share capital	--	1,987,932	--	1,987,932
Paid in capital	**100.00**	**615,157,050**	**100.00**	**615,157,050**

TL 131,158,000 of bearer B group share are traded on Borsa İstanbul A.Ş.

12. CAPITAL AND RESERVES (continued)

On the date of 2 August 2016, a new loan agreement with a total of US $ 800 million was signed between Kazancı Holding A.Ş. And Aksa partnership Co. and with the Bank's consortium under the leadership of Türkiye Garanti Bankası A.Ş. And Türkiye İş Bankası, with the participation of T.C. Ziraat Bankası A.Ş., Türkiye Halk Bankası A.Ş., Türkiye Vakıflar Bankası T.A.O., Odea Bank A.Ş. and Türkiye Sınai Kalkınma Bankası A.Ş. With this created financing, all of the old loan mentioned above was repaid and the shares of Aksa Enerji in the property owned by Kazancı Holding liberalized. In addition to these liberalized shares belonging to the Kazancı Holding, representing %61.98 capital shares of Aksa Energy which is owned by Kazancı Holding and is 9.74% shares of Kazancı Holding, was pledged to be a guarantee for the new loan, to the Guarantee Representative Türkiye İş Bankası AŞ by Kazancı Holding.

Legal reserves

According to the Turkish Commercial Code ("TCC"), legal reserves are comprised of first and second legal reserves.

The first legal reserves are generated by annual appropriations amounting to 5 percent of income disclosed in the

Company's statutory accounts until it reaches 20% of paid-in share capital. If the dividend distribution is made in accordance with Dividend Distribution Communiqué II-19.1, a further 1/10 of dividend distributions, in excess of 5% of paid-in capital is to be appropriated to increase second legal reserves. If the dividend distribution is made in accordance with statutory records, a further 1/11 of dividend distributions, in excess of 5% of paid-in capitals are to be appropriated to increase second legal reserves. Under the TCC, the legal reserves can be used only to offset losses and are not available for any other usage unless they exceed 50 percent of paid-in capital. At 31 March 2019, legal reserves of the Group amounted to TL 64,980,588 (31 December 2018: TL 48,267,560)

Share premium

Share premium represents differences resulting from the sale of the Company's subsidiaries' and associates' shares at a price exceeding the face value of those shares or differences between the face value and the fair value of shares issued for acquired companies.

Actuarial gain/loss:

Actuarial gain/loss reserves comprises actuarial gains and losses recognized in other comprehensive income based on IAS (2011).

Gain on revaluation of property, plant end equipment:

Gain on revaluation of property, plant end equipment comprise of fair value gain of land and land improvements and buildings and machinery and equipment in property, plant and equipment.

(Amounts expressed in Turkish Lira unless otherwise stated.)

12. CAPITAL AND RESERVES (continued)

Cash flow hedge reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred, net of tax.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign and domestic operations from their functional currencies to presentation currency of TL.

Dividend distribution

Publicly held companies distribute dividends based on the Capital Market Board ("CMB") Dividend Communique numbered II-19.1 effective from 1 February 2014.

Companies distribute their profits in accordance with their dividend policy determined by the General Assembly and with General Assembly resolution in accordance with provisions of the relevant legislation.

Non-controlling interests

Equity in a subsidiary that is not attributable, directly or indirectly, to a parent is classified under the "Non-controlling interests" in the condensed consolidated financial statements.

As at 31 March 2019 and 31 December 2018 the related amounts in the "Non-controlling interests" in the condensed consolidated statement of financial position are respectively TL 238,973,338 liability and TL 181,851,117 liability. In addition, net profit or loss in a subsidiary that is not attributable, directly or indirectly, to a parent is also classified under the "Non-controlling interests" in the condensed consodilated financial statements.

13. EARNINGS PER SHARE

The calculation of basic and diluted EPS at 31 March 2019 and 2018 is as follows:

	1 January-31 March 2019	**1 January-31 March 2018**
Numerator:		
Profit/(loss) for the period attributable to equity holders	50,917,330	12,832,241
Weighted average number of shares	613,169,118	613,169,118
Basic and diluted loss per share (full TL)	0.083	0.021

(Amounts expressed in Turkish Lira unless otherwise stated.)

14. LOANS AND BORROWINGS

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate, foreign currency and liquidity risks, see Note 17.

	31 March 2019	31 December 2018
Current liabilities		
Current portion of bank loans	1,519,722,833	1,394,427,238
Short term bank loans	480,436,624	504,015,099
Total	**2,000,159,457**	**1,898,442,337**
Non-current liabilities		
Long term bank loans	1,474,980,612	1,586,768,204
Total	**1,474,980,612**	**1,586,768,204**
Total loans and borrowings	**3,475,140,069**	**3,485,210,541**

The Group's total bank loans and finance lease liabilities as at 31 March 2019 and 31 December 2018 are as follows:

	31 March 2019	31 December 2018
Bank loans	3,475,140,069	3,485,210,541
	3,475,140,069	**3,485,210,541**

Redemption schedules of the Group's bank loans according to original maturities as at 31 March 2019 are as follows:

31 March 2019			
Maturity	**Currency**	**Amount**	**TL Amount**
0-12 months	USD	55,659,871	313,276,019
	EUR	8,859,676	55,982,521
	TL	1,630,900,916	1,630,900,916
1-2 year	USD	34,521,523	194,300,940
	EUR	2,933,746	18,537,756
	TL	400,188,624	400,188,624
2-3 year	USD	28,021,604	157,716,795
	TL	63,841,246	63,841,246
3-4 year	USD	73,694,149	414,780,148
	TL	13,342,989	13,342,989
4-5 year	USD	20,389,268	114,758,958
5 year and more	USD	17,325,200	97,513,157
Total			**3,475,140,069**

(Amounts expressed in Turkish Lira unless otherwise stated.)

14. LOANS AND BORROWINGS (continued)

Redemption schedules of the Group's bank loans according to original maturities as at 31 December 2018 are as follows:

31 December 2018

Maturity	Currency	Amount	TL Amount
0-12 months	USD	101,235,841	532,591,758
	EUR	10,315,736	62,183,257
	TL	1,303,667,322	1,303,667,322
1-2 year	USD	64,226,784	337,890,687
	EUR	3,624,196	21,846,651
	TL	443,490,761	443,490,761
2-3 year	USD	51,017,861	268,399,865
	EUR	1,105,311	6,662,812
	TL	100,188,816	100,188,816
3-4 year	USD	25,356,714	133,399,139
	TL	20,960,029	20,960,029
4-5 year	USD	21,685,581	114,085,674
5 year and more	USD	26,581,720	139,843,770
Total			**3,485,210,541**

Terms and debt repayment schedule

The breakdown of bank loans as at 31 March 2019 is as follows:

Original Currency	Nominal Interest rate %	Face Value	Carrying Amount
TL	% 14,40 - %39,00	2,738,132,541	2,388,638,267
USD	Liborusd06 + % 0,15 - Liborusd06 + % 6,35	1,143,380,055	1,011,981,525
EUR	Euribor+% 1,60 - % 3,84	12,685,742	74,520,277
Total			**3,475,140,069**

As at 31 March 2019, The Group's expense accrual charge is TL 28,037,769.

The breakdown of bank loans as at 31 December 2018 is as follows:

Original Currency	Nominal Interest rate %	Face Value	Carrying Amount
TL	14.40% – 39.00%	1,835,607,653	1,868,307,049
USD	6MLibor +0,15%-6MLibor +6,35%	1,453,606,906	1,526,210,772
EUR	Euribor6M+1,60% - 3,84%	97,668,843	90,692,720
Total		**3,386,883,402**	**3,485,210,541**

(Amounts expressed in Turkish Lira unless otherwise stated.)

14. LOANS AND BORROWINGS (continued)

Finance lease payables consist of the followings:

	31 March 2019	31 December 2018
Current term finance lease payables	2,799,292	--
Current portion of long term finance lease payables	4,649,333	--
Long term finance lease payables	63,093,446	--
Total	**70,542,071**	**--**

The Group’s finance lease payables represent the present value of the future payables of the buildings, land of power plants and vehicles that are rented by the third parties through their useful lives.

Redemption schedules of the Group’s finance lease payables according to original maturities as at 31 March 2019 are as follows:

Currency	Interest	Maturity	Ineterest Rate	TL Equivalent
TL	Fixed	1 January 2019- 1 March 2038	%21.29-%29.40	65,309,422
USD	Fixed	1 January 2020 - 1 May 2020	%7.70	2,646,422
EUR	Fixed	1 January 2020 - 1 August 2020	%7.00	2,586,227
Total				**70,542,071**

15. DERIVATIVE FINANCIAL INSTRUMENTS

At 31 March 2019 and 31 December 2018, derivative financial instruments comprised the following:

	31 March 2019		31 December 2018	
	Carrying Value		Carrying Value	
Derivative financial instruments	**Asset**	**Liability**	**Asset**	**Liability**
Cash flow hedges	7,091,895	(10,428,635)	413,737	(3,895,565)
Held for trading	--	(10,461,453)	--	(4,397,643)
Total	**7,091,895**	**(20,890,088)**	**413,737**	**(8,293,208)**

All derivatives in a net receivable position (positive fair value) are reported as derivative assets. All derivatives in a net payable position (negative fair value) are reported as derivative liabilities.

Further disclosure regarding the derivative contracts of the Group are explained at Note 17.

(Amounts expressed in Turkish Lira unless otherwise stated.)

16. COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS

Collateral / Pledge / Mortgage ("CPM")

As of 31 March 2019 and 31 December 2018, the Group's collateral, pledge and mortgage (CPM) position is disclosed as follows:

	31 March 2019	31 December 2018
A. CPM given for companies own legal personality	6,087,325,346	4,450,910,793
B. CPM given in behalf of fully consolidated companies	2,048,948,400	1,915,362,150
C. CPM given for continuation of its economic activities on behalf of third parties	--	--
D. Total amount of other CPM's	--	--
i. Total amount of CPM's given on behalf of majority shareholder	--	--
ii. Total amount of CPM's given on behalf of other Group companies which are not in scope of B and C	--	--
iii. Total amount of CPM's given on behalf of third parties which are not in scope of C	--	--
Total CPM	**8,136,273,746**	**6,366,272,943**

Letters of guarantees given to:

31 March 2019	TL	USD	EUR	CHF	TL Equivalent
Banks	--	--	1,457,143	--	9,207,394
Botaş–Petroleum Pipeline Corporation	665,042	--	--	--	665,042
Electricity distribution companies	978,630	--	--	--	978,630
Republic of Turkey Energy Market Regulatory Authority	18,158,000	--	--	--	18,158,000
Ministry of Custom and Trade	--	--	--	--	--
Enforcement offices	30,456,656	--	--	--	30,456,656
Turkey Electricity Transmission Company (TEIAS)	16,018,666	2,062,080	100,000	--	28,256,757
Turkish Coal Enterprises Institution(TKI)	6,983,301	--	--	--	6,983,301
Other	8,117,964	5,021,001	1,250,000	800,000	48,788,106
Total	**81,378,259**	**7,083,081**	**2,807,143**	**800,000**	**143,493,886**

(Amounts expressed in Turkish Lira unless otherwise stated.)

16. COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS (continued)

31 December 2018	**TL**	**USD**	**EUR**	**CHF**	**TL Equivalent**
Banks	--	--	1,457,143	--	8,783,657
Botaş–Petroleum Pipeline Corporation	665,042	--	--	--	665,042
Electricity distribution companies	26,862	--	--	--	26,862
Republic of Turkey Energy Market Regulatory Authority	44,398,000	--	--	--	44,398,000
Ministry of Custom and Trade	--	--	--	--	--
Enforcement offices	700,192	--	--	--	700,192
Turkey Electricity Transmission Company (TEIAS)	12,419,674	2,062,080	100,000	--	23,870,871
Turkish Coal Enterprises Institution(TKI)	5,225,526	--	--	--	5,225,526
Other	22,777,183	5,021,001	1,250,000	800,000	60,995,327
Total	**86,212,479**	**7,083,081**	**2,807,143**	**800,000**	**144,665,477**

Guarantees received

At 31 March 2019 and 31 December 2018, the details of guarantees received is as follows:

Type of guarantees	**TL**	**USD**	**EUR**	**31 March 2019 TL Equivalent**
Letter of guarantee	51,029,403	75,000,000	1,652,500	483,601,220
Notes taken for collaterals	29,434,705	1,034,174	1,184,169	42,737,975
Cheques taken for collaterals	11,387,533	28,000	3,456,000	33,382,901
Mortgage	700,000	--	--	700,000
Total	**92,551,641**	**76,062,174**	**6,292,669**	**560,422,096**

Type of guarantees	**TL**	**USD**	**EUR**	**31 December 2018 TL Equivalent**
Letter of guarantee	121,697,977	75,000,000	1,582,600	525,805,390
Notes taken for collaterals	26,327,053	1,050,574	1,205,112	39,118,433
Cheques taken for collaterals	11,387,533	28,000	3,456,000	32,367,606
Mortgage	700,000	--	--	700,000
Total	**160,112,563**	**76,078,574**	**6,243,712**	**597,991,429**

(Amounts expressed in Turkish Lira unless otherwise stated.)

17. FINANCIAL INSTRUMENTS

Credit Risk

Impairment losses

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at 31 March 2019 and 31 December 2018 is:

31 March 2019	Receivables				Deposits at banks
	Trade receivables		Other receivables		
	Related Parties	Other	Related Parties	Other	
Maximum credit risk exposed to as at 31 March 2018 (A+B+C+D+E)	217,792,851	1,548,610,469	119,406,585	108,361,167	115,394,127
A. Carrying amount of financial assets not overdue or not impaired	217,792,851	1,548,610,469	119,406,585	108,361,167	115,394,127
B. Carrying amount of financial assets with rediscussed conditions that are considered overdue or impaired if not rediscussed	--	--	--	--	--
C. Carrying amount of financial assets overdue but not impaired	--	--	--	--	--
D. Carrying amount of assets impaired	--	--	--	--	--
- Overdue (gross book value)	--	11,622,826	--	--	--
- Impairment (-)	--	(11,622,826)	--	--	--
E. Off balance sheet items with credit risk	--	--	--	--	--

31 December 2018	Receivables				Deposits at banks
	Trade Receivables		Other Receivables		
	Related Parties	Other	Related Parties	Other	
Maximum credit risk exposed to as at 31 December 2017 (A+B+C+D+E)	232,193,307	1,283,737,084	174,069,310	121,000,782	52,603,618
A. Carrying amount of financial assets not overdue or not impaired	232,193,307	1,283,737,084	174,069,310	121,000,782	52,603,618
B. Carrying amount of financial assets with rediscussed conditions that are considered overdue or impaired if not rediscussed	--	--	--	--	--
C. Carrying amount of financial assets overdue but not impaired	--	--	--	--	--
D. Carrying amount of assets impaired	--	--	--	--	--
- Overdue (gross book value)	--	--	--	--	--
- Impairment (-)	10,620	24,961,521	--	8,739,342	--
E. Off balance sheet items with credit risk	(10,620)	(24,961,521)	--	(8,739,342)	--

(Amounts expressed in Turkish Lira unless otherwise stated.)

17. FINANCIAL INSTRUMENTS (continued)

Liquidity risk

The followings are the contractual maturities of financial liabilities, including estimated interest payments:

31 March 2019	Carrying amount	Contractual cash flows (=I+II+III +IV)	3 months or less (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non-derivative financial liabilities	3,844,960,415	4,585,804,959	601,992,584	1,993,982,530	1,837,148,873	152,680,972
Financial liabilities	3,475,140,070	4,206,789,520	518,219,427	1,760,864,625	1,775,024,496	152,680,972
Other financial liabilities	369,820,345	379,015,439	83,773,157	233,117,905	62,124,377	--
Derivative financial liabilities	**13,798,193**	**15,159,000**	**15,159,000**	**--**	**--**	**--**
Cash inflow	--	(28,345,950)	(28,345,950)	--	--	--
Cash outflow	--	43,504,950	43,504,950	--	--	--

	Carrying amount	Contractual cash flows (=I+II+III +IV)	3 months or less (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non derivative financial liabilities	**664,104,087**	**659,464,933**	**659,464,933**	**--**	**--**	**--**
Trade and other payables to related parties	199,085,905	199,085,905	199,085,905	--	--	--
Trade and other payables to third parties	281,501,510	276,862,356	276,862,356	--	--	--
Other liabilities	13,906,723	13,906,723	13,906,723	--	--	--

31 December 2018	Carrying amount	Contractual cash flows (=I+II+III +IV+V)	3 months or less (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non-derivative financial liabilities	**3,745,498,591**	**4,441,298,675**	**103,982,767**	**896,951,861**	**2,307,207,071**	**1,133,156,976**
Financial liabilities	3,485,210,541	4,162,765,621	91,638,289	692,709,873	2,245,260,483	1,133,156,976
Financial lease liabilities	--	7	7	--	--	--
Other financial liabilities	260,288,050	278,533,047	12,344,471	204,241,988	61,946,588	--
Derivative financial liabilities	**7,879,471**	**60,648,640**	**43,578,640**	**16,475,300**	**594,700**	**--**
Cash inflow	--	(242,594,560)	(174,314,560)	(65,901,200)	(2,378,800)	--
Cash outflow	--	303,243,200	217,893,200	82,376,500	2,973,500	--

	Carrying amount	Contractual cash flows (=I+II+III +IV)	3 months or less (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non derivative financial liabilities	**582,008,905**	**562,359,647**	**562,359,647**	**--**	**--**	**--**
Trade and other payables to related parties	239,348,509	233,019,582	233,019,582	--	--	--
Trade and other payables to third parties	336,331,469	329,340,065	329,340,065	--	--	--

(Amounts expressed in Turkish Lira unless otherwise stated.)

17. FINANCIAL INSTRUMENTS (continued)

Currency risk

The summary of quantitative data about the Group entities' exposure to foreign currency risk as follows:

FOREIGN CURRENCY RISK						
	31 March 2019					
	TL Equivalent	**USD**	**EUR**	**GBP**	**CHF**	**Other (*)**
1. Trade receivables	190,779,721	21,751,065	10,817,881	--	--	--
2a. Monetary financial assets	90,045,247	13,356,235	2,349,634	3,292	--	--
2b. Non-monetary financial assets	14,314,433	1,575,874	861,680	--	--	--
3. Other	121,068,043	21,510,206	--	--	--	--
4. CURRENT ASSETS	**416,207,444**	**58,193,380**	**14,029,195**	**3,292**	--	--
5. Trade receivables	--	--	--	--	--	--
6a. Monetary financial assets	594,434	100,000	5,000	--	--	--
6b. Non-monetary financial assets	2,711,447	173,008	275,003	--	--	--
7. Other	--	--	--	--	--	--
8. NON-CURRENT ASSETS	**3,305,881**	**273,008**	**280,003**	--	--	--
9. TOTAL ASSETS	**419,513,325**	**58,466,388**	**14,309,198**	**3,292**	--	--
10. Trade payables	172,606,905	22,747,605	6,923,226	70,414	55,200	--
11. Financial liabilities	380,122,646	57,008,722	9,377,533	--	--	--
12a. Other financial liabilities	4,504,388	800,000	264	--	--	--
12b. Other non-monetary liabilities	--	--	--	--	--	--
13. SHORT TERM LIABILITIES	**557,233,939**	**80,556,327**	**16,301,023**	**70,414**	**55,200**	--
14. Trade payables	--	--	--	--	--	--
15. Financial liabilities	718,119,414	123,986,211	3,208,746	--	--	--
16a. Other financial liabilities	--	--	--	--	--	--
16b. Other non-monetary liabilities	--	--	--	--	--	--
17. LONG TERM LIABILITIES	**718,119,414**	**123,986,211**	**3,208,746**	--	--	--
18. TOTAL LIABILITIES	**1,275,353,353**	**204,542,538**	**19,509,769**	**70,414**	**55,200**	--
19. Off statement of financial position derivatives net asset/liability position	--	--	--	--	--	--
20. Net foreign currency asset liability position	**(855,840,028)**	**(146,076,150)**	**(5,200,571)**	**(67,122)**	**55,200**	--
v21. Net foreign currency asset / (liability) (position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	**(993,933,951)**	**(169,335,238)**	**(6,337,254)**	**(67,122)**	**55,200**	--
22. Fair value of derivative instruments used in foreign currency hedge	**(20,890,088)**	**(3,711,550)**	--	--	--	--
23. Hedged portion of foreign currency assets	--	--	--	--	--	--
24. Hedged portion of foreign currency liabilities	--	--	--	--	--	--

(Amounts expressed in Turkish Lira unless otherwise stated.)

17. FINANCIAL INSTRUMENTS (continued)

Currency risk (continued)

FOREIGN CURRENCY RISK						
	31 December 2018					
	TL Equivalent	**USD**	**EUR**	**GBP**	**CHF**	**Other (*)**
1. Trade receivables	162,313,398	15,153,536	13,342,196	--	405,871	--
2a. Monetary financial assets	7,981,922	1,413,260	86,740	3,347	331	--
2b. Non-monetary financial assets	12,986,567	1,640,352	722,767	--	--	--
3. Other	113,163,043	21,510,206	--	--	--	--
4. CURRENT ASSETS	**296,444,930**	**39,717,354**	**14,151,703**	**3,347**	**406,202**	**--**
5. Trade receivables	--	--	--	--	--	--
6a. Monetary financial assets	2,610,541	105,000	341,431	--	--	--
6b. Non-monetary financial assets	36	--	6	--	--	--
7. Other	--	--	--	--	--	--
8. NON-CURRENT ASSETS	**2,610,577**	**105,000**	**341,437**	**--**	**--**	**--**
9. TOTAL ASSETS	**299,055,507**	**39,822,354**	**14,493,140**	**3,347**	**406,202**	**--**
10. Trade payables	75,479,037	4,702,484	7,892,346	100,352	468,034	--
11. Financial liabilities	598,142,408	101,495,329	10,647,915	--	--	--
12a. Other financial liabilities	12,378,643	800,000	1,355,329	--	--	--
12b. Other non-monetary liabilities	--	--	--	--	--	--
13. SHORT TERM LIABILITIES	**686,000,088**	**106,997,813**	**19,895,590**	**100,352**	**468,034**	**--**
14. Trade payables	--	--	--	--	--	--
15. Financial liabilities	1,022,128,632	188,868,660	4,729,512	--	--	--
16a. Other financial liabilities	--	--	--	--	--	--
16b. Other non-monetary liabilities	--	--	--	--	--	--
17. LONG TERM LIABILITIES	**1,022,128,632**	**188,868,660**	**4,729,512**	**--**	**--**	**--**
18. TOTAL LIABILITIES	**1,708,128,720**	**295,866,473**	**24,625,102**	**100,352**	**468,034**	**--**
19. Off statement of financial position derivatives net asset/liability position	--	--	--	--	--	--
20. Net foreign currency asset liability position	**(1,409,073,213)**	**(256,044,119)**	**(10,131,962)**	**(97,005)**	**(61,832)**	**--**
21. Net foreign currency asset / (liability) (position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	**(1,535,222,859)**	**(279,194,677)**	**(10,854,735)**	**(97,005)**	**(61,832)**	**--**
22. Fair value of derivative instruments used in foreign currency hedge	**--**	**--**	**--**	**--**	**--**	**--**
23. Hedged portion of foreign currency assets	**--**	**--**	**--**	**--**	**--**	**--**
24.Hedge portion of foreign currency liabilities	**--**	**--**	**--**	**--**	**--**	**--**

(Amounts expressed in Turkish Lira unless otherwise stated.)

17. FINANCIAL INSTRUMENTS (continued)

Sensitivity analysis

Foreign currency risk sensitivity analysis

The Group is mainly exposed to foreign currency risks in USD and Euro.

The following table shows the Group's sensitivity to a 10% increase and decrease in USD and Euro. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis only includes outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number indicates an increase in profit / loss and other equity.

Sensitivity Analysis				
31 March 2019				
	Profit/Loss		Equity	
	The appreciation of foreign currency	The depreciation of foreign currency	The appreciation of foreign currency	The depreciation of foreign currency
10% appreciation / depreciation of TL against the USD				
1 - USD net asset / liability	(95,308,645)	95,308,645	(95,308,645)	95,308,645
2- Portion secured from USD(-)	(371,155)	371,155	(371,155)	371,155
3- USD net effect (1 +2)	**(95,679,800)**	**95,679,800**	**(95,679,800)**	**95,679,800**
10% appreciation / depreciation of TL against EUR				
4 - Euro net asset / liability	(4,004,384)	4,004,384	(4,004,384)	4,004,384
5 - Portion secured from Euro (-)	--	--	--	--
6 - Euro net effect (4+5)	**(4,004,384)**	**4,004,384**	**(4,004,384)**	**4,004,384**
10% appreciation / depreciation of TL against other currencies				
7- Other foreign currency net asset/liability	(80,366)	80,366	(80,366)	80,366
8- Portion secured from other currency (-)	--	--	--	--
9- Other currency net effect (7+8)	**(80,366)**	**80,366**	**(80,366)**	**80,366**
Total (3+6+9)	**(99,764,550)**	**99,764,550**	**(99,764,550)**	**99,764,550**

Sensitivity Analysis				
31 December 2018				
	Profit/Loss		Equity	
	The appreciation of foreign currency	The depreciation of foreign currency	The appreciation of foreign currency	The depreciation of foreign currency
10% appreciation / depreciation of TL against the USD				
1 - USD net asset / liability	(146,881,528)	146,881,528	(146,881,528)	146,881,528
2- Portion secured from USD(-)	7,578,947	(7,578,947)	7,578,947	(7,578,947)
3- USD net effect (1 +2)	**(139,302,581)**	**139,302,581**	**(139,302,581)**	**139,302,581**
10% appreciation / depreciation of TL against EUR				
4 - Euro net asset / liability	(6,543,234)	6,543,234	(6,543,234)	6,543,234
5 - Portion secured from Euro (-)	--	--	--	--
6 - Euro net effect (4+5)	**(6,543,234)**	**6,543,234**	**(6,543,234)**	**6,543,234**
10% appreciation / depreciation of TL against other currencies				
7- Other foreign currency net asset/liability	(97,524)	97,524	(97,524)	97,524
8- Portion secured from other currency (-)	--	--	--	--
9- Other currency net effect (7+8)	**(97,524)**	**97,524**	**(97,524)**	**97,524**
Total (3+6+9)	**(145,943,339)**	**145,943,339**	**(145,943,339)**	**145,943,339**

(Amounts expressed in Turkish Lira unless otherwise stated.)

17. FINANCIAL INSTRUMENTS (continued)

Sensitivity analysis (continued)

Interest rate risk

Profile

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was as follows:

Interest rate position		
	31 March 2019	**31 December 2018**
Fixed rate instruments		
Financial assets	48,360,900	53,026,362
Financial liabilities	2,246,565,654	2,477,695,637
Other financial liabilities	369,820,345	260,288,050
Variable rate instruments		
Financial liabilities	1,228,574,415	1,007,514,904

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss and the Group does not designate derivatives (interest rate swaps) as hedging instruments under fair value hedge accounting model. Therefore, a change in interest rate as of the reporting date would not affect profit or loss and equity.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates as at 31 March 2019 would have increased / (decreased) profit or loss by amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as at 31 December 2018.

	Profit or loss		**Equity**	
	1% increase	**1% decrease**	**1% increase**	**1% decrease**
31 March 2018				
Variable rate instruments	23,601,193	(22,612,581)	23,601,193	(22,612,581)
Cash flow sensitivity (net)	**(988,612)**	**--**	**(988,612)**	**--**
31 December 2018				
Variable rate instruments	22,550,524	21,580,795	22,550,524	21,580,795
Cash flow sensitivity (net)	**969,729**		**969,729**	

(Amounts expressed in Turkish Lira unless otherwise stated.)

17. FINANCIAL INSTRUMENTS (continued)

Sensitivity analysis (continued)

Capital risk management

The risk related with each of the capital class and group capital cost is considered by the top management of the Group.

The primary objective of the Group's capital management objectives is to ensure that it maintains a healthy capital structure in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions.

To maintain or adjust the capital structure, the Group may obtain new loans, repay existing loans; make dividend payments to shareholders, issue new shares based on Management's evaluation. The Group manages the capital structure so as to ensure the Group's ability to continue as a going concern; and maximize its profitability by maintaining an adequate capital to overall financing structure ratio.

The Group monitors capital using a gearing ratio, which is net debt divided by total financing used. The Group includes within net financial debt, borrowings, less cash and cash equivalents. Financing used is the sum of total equity and net financial debt.

The following table sets out the gearing ratios as of 31 March 2019 and 31 December 2018:

	31 March 2019	31 December 2018
Total financial liabilities	3,918,301,777	3,745,498,591
Less: cash and cash equivalents	(116,463,204)	(53,026,362)
Net financial debt	**3,801,838,573**	**3,692,472,229**
Total equity	2,093,657,592	1,824,202,801
Gearing ratio (net financial debt to overall financing used ratio)	**182%**	**202%**

(Amounts expressed in Turkish Lira unless otherwise stated.)

17. FINANCIAL INSTRUMENTS (continued)

Fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	31 March 2019		31 December 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Cash and cash equivalents	116,463,204	116,463,204	53,026,362	53,026,362
Financial investment	412,408	412,408	412,408	412,408
Trade and other receivables (*)	1,992,849,803	1,992,849,803	1,808,933,812	1,808,933,812
Derivative assets	7,091,895	7,091,895	413,737	413,737
Financial liabilities				
Financial liabilities	3,475,140,069	3,475,140,069	3,485,210,541	3,485,210,541
Trade and other payables (**)	663,339,900	663,339,900	554,079,784	554,079,784
Other financial liabilities	369,820,345	369,820,345	260,288,050	260,288,050
Derivative liabilities	20,890,088	20,890,088	8,293,208	8,293,208

(*)Non-financial instruments such as deposits given, VAT, prepayment and advances given are excluded from receivables and other current asset.

(**) Non-financial instruments such as VAT payables, withholding tax payable and social security premiums payable are excluded from trade and other receivables.

The basis for determining fair values is discussed in Note 4.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. Fair value hierarchy table as at 31 March 2018 is as follows:

	Fair value measurement			
31 March 2019	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value:				
Derivative assets	--	7,091,895	--	7,091,895
	--	**7,091,895**	**--**	**7,091,895**
Financial liabilities measured at fair value:				
Derivative liabilities	--	(20,890,088)	--	(20,890,088)
	--	**(20,890,088)**	**--**	**(20,890,088)**
31 December 2018				
Financial assets measured at fair value:				
Derivative assets	--	413,737	--	413,737
		413,737	**--**	**413,737**
Financial liabilities measured at fair value:				
Derivative liabilities	--	(8,293,208)	--	(8,293,208)
	--	**(8,293,208)**	**--**	**(8,293,208)**

(Amounts expressed in Turkish Lira unless otherwise stated.)

18. RELATED PARTIES

The Company has a number of operating and financial relationships with its shareholders and other entities owned by its shareholders. There are no set payment terms for any of the related party transactions. The related party receivables and payables resulting from operating activities are generally settled in the normal course of business.

Parent and ultimate controlling party

The controlling party of the Company is Kazancı Holding, holding 78.6% of the Company's shares.

Key management personnel compensation

The remuneration of directors and other members of key management during the three-month period comprised the following:

	1 January-31 March 2019	**1 January-31 March 2018**
Short-term and long-term employee benefits (salaries, bonuses, employee termination benefits etc.)	552,616	552,616
	552,616	**552,616**

As at 31 March 2019 and 31 December 2018, current trade and other receivables are as follows:

	31 March 2019		**31 December 2018**	
Current trade and other receivables	**Trade**	**Other**	**Trade**	**Other**
Trade receivables due from related parties	217,792,851	119,406,585	232,193,307	174,069,310
Doubtful trade receivables	275,922	--	10,620	--
Provisions for doubtful trade receivables (-)	(275,922)	--	(10,620)	--
Total	**217,792,851**	**119,406,585**	**232,193,307**	**174,069,310**

(Amounts expressed in Turkish Lira unless otherwise stated.)

18. RELATED PARTIES (continued)

Other related party balances

	31 March 2019		31 December 2018	
Due from Kazancı Holding's associates and subsidiaries:	**Trade**	**Other**	**Trade**	**Other**
Aksa Elektrik Satış A.Ş.	121,530,553	117.539.144	147,360,015	165,996,430
Datça Rüzgar Enerjisi Elektrik Üretimi A.Ş.	--	--	--	7,357,874
Aksa Jeneratör Sanayi A.Ş.	--	816,263	16,718,701	--
Other	--	--	5,551	--
	121,530,553	**118.355.407**	**164,084,267**	**173,354,304**
Due from Kazancı Holding's indirect investments and subsidiaries:	**Trade**	**Other**	**Trade**	**Other**
Çoruh Elektrik Perakende Satış A.Ş	14,085,585	--	--	--
Fırat Elektrik Parakende Satış A.Ş.	8,172,805	--	--	--
Aksa Power Generation (Dubai)	6,231,440	--	7,637,914	--
Aksa Teknoloji A.Ş.	--	6,424	--	180,516
Other	19,682	134	--	--
	28,509,512	**6,558**	**7,637,914**	**180,516**
Due from related parties:	**Trade**	**Other**	**Trade**	**Other**
Koni İnşaat Sanayi A.Ş.	67,752,786	--	60,363,742	--
Flamingo Enerji Üretim ve Satış A.Ş.	--	282,329	97,331	--
Other	--	762,291	10,053	534,490
	67,752,786	**1,044,620**	**60,471,126**	**534,490**
Total	**217,792,851**	**119.406.585**	**232,193,307**	**174,069,310**

(Amounts expressed in Turkish Lira unless otherwise stated.)

18. RELATED PARTIES (continued)

Other related party balances (continued)

	31 March 2019		31 December 2018	
Short term due to related parties	**Trade**	**Other**	**Trade**	**Other**
Trade payables due to related parties	198,321,718	764,187	233,019,582	6,328,927
Total	**198,321,718**	**764,187**	**233,019,582**	**6,328,927**

	31 March 2019		31 December 2018	
Due to Kazancı Holding's associates and subsidiaries:	**Trade**	**Other**	**Trade**	**Other**
ATK Sigorta Aracılık Hiz. A.Ş.	7,844,428	--	8,318,008	--
Aksa Şanlıurfa Doğalgaz Dağıtım Ltd. Şti.	2,882,000	--	1,947	--
Kazancı Holding	2,371,620	663,616	--	6,328,927
Aksa Elektrik Satış A.Ş.	45,231	--	1,676	--
Aksa Jeneratör Sanayi A.Ş.	--	14,493	13,949	--
Other	2,460	4,765	176,738	--
	13,145,739	**682,874**	**8,512,318**	**6,328,927**
Due to Kazancı Holding's indirect investments and subsidiaries:	**Trade**	**Other**	**Trade**	**Other**
Çoruh Elektrik Perakende Satış A.Ş.	99,691,465	--	107,304,553	--
Fırat Elektrik Perakende Satış A.Ş.	81,630,957	--	113,847,982	--
Aksa Far East PTE Ltd.	--	--	2,671,812	--
Other	2,957,494	--	258,450	--
	184,279,916	**--**	**224,082,797**	**--**
Due to related parties	**Trade**	**Other**	**Trade**	**Other**
Elektrik Altyapı Hizmetleri Ltd. Şti.	574,093	55,964	306,195	--
Koni İnşaat Sanayi A.Ş.	321,970	21,617	114,540	--
Other	--	3,732	3,732	--
	896,063	**81,313**	**424,467**	**--**
Total	**198,321,718**	**764,187**	**233,019,582**	**6,328,927**

(Amounts expressed in Turkish Lira unless otherwise stated.)

18. RELATED PARTIES (continued)

Related party transactions

	1 January - 31 March 2019		1 January - 31 March 2018	
Sales to Kazancı Holding's associates and subsidiaries:	**Goods services**	**Other**	**Goods services**	**Other**
Aksa Elektrik Satış A.Ş.	12,737,818	268	33,144,563	--
Other	--	--	7,884	28,789
	12,737,818	**268**	**33,152,447**	**28,789**
Sales to Kazancı Holding's indirect investments and subsidiaries:	**Goods services**	**Other**	**Goods services**	**Other**
Çoruh Elektrik Perakende Satış A.Ş.	12,156,201	--	9,167,493	--
Fırat Aksa Elektrik Perakende Satış A.Ş.	9,546,067	--	6,048,732	--
Other	1,183	--	--	--
	21,703,451	**--**	**15,216,225**	**--**
Sales to Related Parties:	**Goods services**	**Other**	**Goods services**	**Other**
Koni İnşaat Sanayi A.Ş.	284,212	154,671	229,207	562,740
	284,212	**154,671**	**229,207**	**562,740**
Total	**34,725,481**	**154,939**	**48,597,879**	**591,529**

(Amounts expressed in Turkish Lira unless otherwise stated.)

18. RELATED PARTIES (continued)

Related party transactions (continued)

	1 January - 31 March 2019		1 January – 31 March 2018	
Purchases from Kazancı Holding's associates and subsidiaries	**Goods & Services**	**Other**	**Goods & Services**	**Other**
Aksa Şanlıurfa Doğalgaz Dağıtım Ltd.Şti	13,017,081	--	14,175,990	--
Aksa Elektrik Satış A.Ş.	4,161,587	66,194	821,636	131,525
ATK Sigortacılık Hizmetler A.Ş	3,635	1,921,234	14,264	932,067
Kazancı Holding A.Ş.	--	2,823,871	95,650	153,514
Aksa Manisa Doğalgaz Dağıtım A.Ş.	--	--	6,518,618	--
Other	730	59,872	46,195	62,875
Total	**17,183,033**	**4,871,171**	**21,672,353**	**1,279,981**

Purchases from Kazancı Holding's indirect investments and subsidiaries	**Goods & Services**	**Other**	**Goods & Services**	**Other**
Fırat Elektrik Perakende Satış A.Ş.	2,708,969	5,607	2,005,955	--
Çoruh Elektrik Perakende Satış A.Ş.	75,088	1,846	569,843	--
Aksa Power Generation (Dubai)	--	920,603	--	--
Other	--	10,993	168,930	--
Total	**2,784,057**	**939,049**	**2,744,728**	**--**

Purchases from related parties	**Goods & Services**	**Other**	**Goods & Services**	**Other**
Koni İnşaat Sanayi A.Ş.	147,727	3,383,092	182,557	480,497
Other	--	344,486	191,877	275,475
	147,727	**3,727,578**	**374,434**	**755,972**
Total	**20,114,817**	**9,537,798**	**24,791,515**	**2,035,953**

(Amounts expressed in Turkish Lira unless otherwise stated.)

18. RELATED PARTIES (continued)

Related party transaction (continued)

Financial Income from Related Parties

	1 January - 31 March 2019	1 January - 31 March 2018
Kazancı Holding's associates and subsidiaries:	**Interest and exchange difference**	**Interest and exchange difference**
Aksa Elektrik Satış A.Ş.	18,350,483	900,309
Kazancı Holding A.Ş.	1,289,364	2,405,951
Datça Rüzgar Enerjisi Elektrik Üretim A.Ş.	--	414,120
Other	840,077	7,558
	20,479,924	**3,727,938**
Kazancı Holding's indirect investments and subsidiaries:		
Other	5,444	--
	5,444	**--**
Purchases to Kazancı Holding's indirect investments and subsidiaries		
Koni İnşaat Sanayi A.Ş.	3,922,663	--
Flamingo Bioyakıt Üretim A.Ş.	40,182	10,998
Flamingo Enerji Üretim ve Satış A.Ş.	--	128,980
Other	33,141	--
	3,995,986	**139,978**
Total	**24,481,354**	**3,867,916**

(Amounts expressed in Turkish Lira unless otherwise stated.)

18. RELATED PARTIES (continued)

Related party transaction (continued)

Financial Expense to Related Parties

	1 January - 31 March 2019	1 January - 31 March 2018
Kazancı Holding's associates and subsidiaries:	**Interest and exchange difference**	**Interest and exchange difference**
Aksa Elektrik Satış A.Ş.	--	--
Kazancı Holding A.Ş.	--	1,263
Aksa Jeneratör Sanayi A.Ş.	--	14,974
Aksa Havacılık A.Ş.	--	4,224
Aksa Satış ve Pazarlama A.Ş.	--	2,233
	--	**22,694**
Kazancı Holding's indirect investments and subsidiaries:		
Çoruh Elektrik Perakende Satış A.Ş.	8,361,200	1,423,404
Fırat Elektrik Perakende Satış A.Ş.	8,245,350	433,129
Other	--	5,915
	16,606,550	**1,862,448**
Related Parties:		
Koni İnşaat Sanayi A.Ş.	4,399	8,694
Elektrik Altyapı Hizmetleri	1,767	137,731
	6,166	**146,425**
Total	**16,612,716**	**2,031,567**

19. OPERATING SEGMENTS

The geographic information analyses the Group's revenue, EBITDA, assets and liabilities by the Group's country of domicile and other countries. In presenting the geographic information, segment revenue and EBITDA has been based on the geographic location of customers and segment assets and liabilities were based on the geographic location of the assets and liabilities

	1 January – 31 March 2019		
	Turkey (*)	**Africa**	**Total**
Total segment income	744,630,424	410,791,774	**1,155,422,198**
Profit before interest, tax, employee	116,172,827	234,584,160	**350,756,987**

(Amounts expressed in Turkish Lira unless otherwise stated.)

20. OPERATING SEGMENTS *(continued)*

	1 January – 31 March 2019		
	Turkey (*)	**Africa**	**Total**
Reconciliation of EBITDA with profit before taxes:	116,172,827	234,584,160	**350,756,987**
Depreciation and amortisation expenses	(64,551,080)	(48,101,370)	**(112,652,450)**
Finance income/(expenses), net	(150,113,245)	1,195,695	**(148,917,550)**
Income/(expenses) from investing	412,453	--	**412,453**
Profit/(loss) before tax	**(98,079,045)**	**187,678,485**	**89,599,440**

	1 January – 31 March 2018		
	Turkey (*)	**Africa**	**Total**
Total segment income	753,874,598	268,245,477	**1.022,120,075**
Profit before interest, tax, depreciation and amortisation (EBITDA)	49,020,665	168,224,937	**217,245,602**

	1 January – 31 March 2018		
	Turkey (*)	**Africa**	**Total**
Reconciliation of EBITDA with profit before taxes:	49,020,665	168,224,937	**217,245,602**
Depreciation and amortisation expenses	(61,614,292)	(29,383,980)	**(90,998,272)**
Finance income/(expenses), net	(95,811,228)	(9,788,892)	**(105,600,120)**
Income/(expenses) from investing activities	2,596,878	--	**2,596,878**
Profit/(loss) before tax	**(105,807,977)**	**129,052,065**	**23,244,088**

	31 March 2019		
	Turkey (*)	**Africa**	**Total**
Total segment assets	4,352,932,592	2,515,501,996	**6,868,434,588**
Total segment liabilities	3,115,794,910	1,665,232,750	**4,781,027,660**

	31 December 2018		
	Turkey (*)	**Africa**	**Total**
Total segment assets	4,565,312,207	1,876,179,141	**6,441,491,348**
Total segment liabilities	4,042,934,022	574,354,525	**4,617,288,547**

(*) Includes TRNC.

(Amounts expressed in Turkish Lira unless otherwise stated.)

21. SUPPLEMENTARY CASH FLOW INFORMATION

Change of Group's liabilities from financing activities between 1 January – 31 March 2018 are presented below:

	1 January 2019	Cash inflows	Cash outflows	Non-cash transactions	31 March 2019
Financial borrowings	**3.745.498.591**	**404.938.795**	**(416.777.386)**	**(258.519.930)**	**3.475.140.070**
Total financial liabilities	**3.745.498.591**	**404.938.795**	**(416.777.386)**	**(258.519.930)**	**3.475.140.070**

	1 January 2018	Cash inflows	Cash outflows	Non-cash transactions	31 December 2018
Financial borrowings	**2,836,504,211**	2,898,822,734	(2,579,670,969)	589,842,615	**3,745,498,591**
Total financial liabilities	**2,836,504,211**	**2,898,822,734**	**(2,579,670,969)**	**589,842,615**	**3,745,498,591**

Change in "Proceeds from issued bank borrowings" and "Repayments from banks borrowings" which is presented in cash flows from financing activities.

22. SUBSEQUENT EVENTS

Aksa Enerji Uretim A.Ş the production license of EÜ / 1501-3 / 1089 dated February 21st, 2008, belonging to the Manisa Power Plant, which is a natural gas-fired, thermal combined-cycle type; was terminated as of April 30th, 2019 with the decision no. 8553-6 dated April 25th, 2019 of the Energy Market Regulatory Authority.