

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

GÜBRE FABRİKALARI TÜRK ANONİM ŞİRKETİ

Interim consolidated statement of cash flows as of September 30, 2020

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

	Notes	January 1- September 30, 2020	January 1- September 30, 2019
Cash flows from operating activities			
Period income /loss		290.381.061	1.475.956
Adjustments to reconcile net profit/(loss) for the period			
Adjustments related to depreciation and amortization expense	9-10	46.390.660	62.585.641
Adjustments related to gain from investments accounted by equity method		(1.811.520)	(1.139.140)
Adjustments related to provisions for employee benefits		52.013.837	72.114.612
Adjustments related to interest expense		111.167.871	235.933.135
Adjustments related to impairment of inventories	8	(6.781.874)	(7.319.480)
Adjustments related to impairment of receivables	7	(3.163.533)	1.537.523
Deferred financial income		1.039.437	(867.393)
Adjustments related to lawsuit provisions	12	20.915.073	2.341.711
Adjustments related to current year tax income		5.544.314	(11.509.928)
Adjustments related to losses (gains) on sale of property, plant and equipments	9-10	17.465	23.554
Adjustments related to fair value losses (gains) on derivative financial instruments		9.462.872	(3.194.116)
Other adjustments		(212.601)	111.244
Cash flows from the operating activities before changes in the assets and liabilities		524.963.062	352.093.319
Changes in working capital (net):			
Adjustments related to increase / (decrease) in trade receivables		(70.204.803)	179.127.544
Adjustments related to increase / (decrease) in other receivables		200.432.948	(27.047.193)
Adjustments related to increase / (decrease) in inventories		440.430.922	66.995.729
Adjustments related to increase / (decrease) in trade payables		128.643.391	251.922.571
Increase / (decrease) employee benefit obligations		1.249.415	(7.485.100)
Increase / (decrease) in deferred income		82.486.940	(25.383.844)
Increase / (decrease) in prepaid expenses		(151.147.512)	(32.621.908)
Adjustments related to other increases / (decreases) in other payables		(97.640.409)	(79.665.895)
Adjustments related to other increases / (decreases) in working capital		(182.265.558)	(59.659.232)
Cash flows from the operations after the changes in working capital		876.948.396	618.275.991
Interest paid		(80.610.148)	(209.995.111)
Taxes refunds/(payments)		(11.270.935)	(9.071.478)
Payments related to provision for employee benefits		(36.227.545)	(32.777.160)
Cash flow regarding investment activities		748.839.768	366.432.242
Cash flows from investment activities			
Cash outflows from the purchases of property, plant and equipment and intangible assets	9-10	(107.458.327)	(99.359.168)
Cash inflows from the sales of property, plant and equipment and intangible assets	9-10	1.371	150.325
Diğer nakit çıkışları / girişleri		32.813.163	(21.844.284)
Cash flow from discontinued operations, net		63.327.280	--
Cash flows from investment activities		(11.316.513)	(121.053.127)
Cash flows from financing activities			
Cash inflows from financial borrowings		2.143.937.440	2.990.304.305
Cash outflows from financial borrowings payments		(2.051.918.160)	(3.257.486.109)
Cash flows from financing activities		92.019.280	(267.181.804)
Net change in cash and cash equivalents before effect of foreign currency translation differences		829.542.535	(21.802.689)
Cash and cash equivalents as of January 1		174.457.909	359.227.711
Foreign currency translation difference		(104.437.371)	(113.745.073)
Cash and cash equivalents as of September 30		899.563.073	223.679.949

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