

**TÜRK PRYSMİAN KABLO VE SİSTEMLERİ A.Ş.**

**BALANCE SHEETS AT 31 DECEMBER 2006 AND 31 DECEMBER 2005**

(Amounts expressed in New Turkish Lira (YTL) unless otherwise indicated)

	Notes	31-Mar-07	31-Dec-06
<b>ASSETS</b>			
<b>Current assets</b>		<b>207.789.949</b>	<b>204.389.200</b>
Cash and cash equivalents	4	2.539.982	14.168.861
Marketable securities (net)	5	-	-
Trade receivables (net)	7	98.350.141	83.067.612
Leasing receivables (net)	8	-	-
Due from related parties (net)	9	15.655.093	14.621.132
Other receivables (net)	10	18.725.643	16.638.409
Biological assets (net)	11	-	-
Inventories (net)	12	70.170.007	74.593.329
Construction contract receivables (net)	13	-	-
Deferred tax assets	14	-	-
Other current assets	15	2.349.083	1.299.857
<b>Non-current assets</b>		<b>51.807.080</b>	<b>53.363.458</b>
Trade receivables (net)	7	47	47
Leasing receivables (net)	8	-	-
Due from related parties (net)	9	-	-
Other receivables (net)	10	137.070	1.041.402
Financial assets (net)	16	2.920.351	2.920.351
Goodwill / negative goodwill (net)	17	-	-
Investment properties (net)	18	-	-
Property, plant and equipment (net)	19	48.129.668	48.559.850
Intangible assets (net)	20	57.683	61.693
Deferred tax assets	14	562.261	780.115
Other non-current assets	15	-	-
<b>TOTAL ASSETS</b>		<b>259.597.029</b>	<b>257.752.658</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>135.007.884</b>	<b>135.221.835</b>
Short-term borrowings (net)	6	7.254.100	-
Current portion of long-term borrowings (net)	6	-	-
Leasing payables (net)	8	-	-
Other financial liabilities (net)	10	-	-
Trade payables (net)	7	79.410.366	82.958.734
Due to related parties (net)	9	9.481.567	8.082.557
Advances received	21	9.051.660	9.599.377
Construction progress billings (net)	13	(474.004)	2.306.417
Provisions	23	8.183.043	7.462.993
Deferred tax liabilities	14	-	-
Other liabilities (net)	10	22.101.152	24.811.757
<b>Non-current liabilities</b>		<b>7.404.131</b>	<b>7.362.445</b>
Long-term borrowings (net)	6	-	-
Leasing payables (net)	8	-	-
Other financial liabilities (net)	10	-	-
Trade payables (net)	7	-	-
Due to related parties (net)	9	-	-
Advances received	21	-	-
Provisions	23	7.404.131	7.362.445
Deferred tax liabilities	14	-	-
Other liabilities (net)	10	-	-
<b>MINORITY INTEREST</b>		<b>-</b>	<b>-</b>
<b>SHAREHOLDER'S EQUITY</b>		<b>117.185.014</b>	<b>115.168.378</b>
<b>Share capital</b>	25	<b>39.312.000</b>	<b>39.312.000</b>
Treasury shares		-	-
<b>Capital reserves</b>	26	<b>72.937.515</b>	<b>72.937.515</b>
Share premium		-	-
Share cancellation gains		-	-
Revaluation fund		-	-
Financial assets fair value reserve		-	-
Inflation adjustment to shareholders' equity		72.937.515	72.937.515
<b>Profit reserves</b>	27	<b>575.783</b>	<b>10.813</b>
Legal reserves		438.585	-
Statutory reserves		-	-
Extraordinary reserves		110.745	-
Special reserves		-	-
Investment and property sales income to be added to the capital		26.453	10.813
Cash flow hedge reserve		-	-
<b>Current year profit</b>		<b>4.359.716</b>	<b>5.281.456</b>
<b>Retained earnings</b>	28	<b>-</b>	<b>(2.373.406)</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>259.597.029</b>	<b>257.752.658</b>

**TÜRK PRYSMİAN KABLO VE SİSTEMLERİ A.Ş.****STATEMENT OF INCOME FOR THE THREE MONTH PERIODS  
ENDED 31 MARCH 2007 AND 31 DECEMBER 2006**

(Amounts expressed in New Turkish Lira (YTL) unless otherwise indicated)

	Notes	1 January 2007 - 31 March 2007	1 January 2006 - 31 March 2006
<b>Operating revenue</b>			
Sales (net)	36	151.909.906	85.413.137
Cost of sales	36	(135.654.598)	(71.871.205)
Service Income (net)	36	-	-
Other Operating Income/interest+dividend+rent (net)	36	-	-
<b>Gross operating profit/loss</b>		<b>16.255.308</b>	<b>13.541.932</b>
Operating expenses (-)	37	(12.195.355)	(8.449.686)
<b>Net operating profit/loss</b>		<b>4.059.953</b>	<b>5.092.246</b>
Other income and profits	38	4.117.275	697.916
Other expenses and losses (-)	38	(3.538.699)	(1.081.677)
Financial income/(expenses)	39	659.091	1.907.586
<b>Income before monetary loss, taxes and minority interests</b>		<b>5.297.620</b>	<b>6.616.071</b>
Monetary gain/loss	40	-	-
<b>Minority interests</b>	24	-	-
<b>Income/loss before taxes</b>		<b>5.297.620</b>	<b>6.616.071</b>
Taxes on income	41	(937.904)	(2.581.572)
<b>Net income/loss</b>		<b>4.359.716</b>	<b>4.034.499</b>
<b>Earnings per share with a nominal value of Ykr I</b>	42	<b>0,11</b>	<b>0,10</b>

**TÜRK PRYSMİAN KABLO VE SİSTEMLERİ A.Ş.**

**STATEMENTS OF CASH FLOWS FOR THE YEARS  
ENDED 31 MARCH 2007 AND 31 DECEMBER 2006**

(Amounts expressed in New Turkish lira (YTL) unless otherwise indicated)

	1 January 2006 - 31 March 2007		1 January 2006 - 31 March 2006	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(16.028.019)</b>		<b>(1.972.860)</b>	
Net profit before taxation (+)	5.297.620		6.616.071	
<b>Adjustments:</b>				
Amortisation (+)	1.212.253		1.241.279	
Employment termination benefit	338.741		171.313	
Interest income (-)	(270.819)		(923.828)	
Interest expense (+)	4.638		-	
Income from marketable securities or long term investments (-)	-		-	
Loss from the fixed asset sales (net)	-		-	
Change in the provision for doubtful receivables	(57.291)		18.547	
Change in the deferred financial income	346.542		134.125	
Change in the deferred financial expense	271.923		(98.550)	
<b>Change in asset and liabilities:</b>				
Change in trade receivables	(15.571.780)		(15.822.623)	
Change in from related companies	(1.033.961)		(6.624.662)	
Change in inventories	4.423.322		(10.711.714)	
Change in other receivables	2.097.112		(847.320)	
Change in other long term receivables	904.332		6.618	
Change in trade payables	(3.820.291)		22.055.419	
Change in due to related parties	1.399.010		594.212	
Change in other short term liabilities	(6.038.743)		7.517.394	
Change in liabilities for long term financial leasing	66.979		(4.917.696)	
Taxes payable	(5.233.572)		-	
Employment termination benefits paid	(364.034)		(381.445)	
<b>Net cash generated from the operating activities</b>	<b>(16.028.019)</b>		<b>(1.972.860)</b>	
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>(778.061)</b>		<b>(273.182)</b>	
Fixed asset additions (-)	(848.129)		(273.182)	
Cash provided from the fixed asset sales (+)	70.068		-	
Dividend income (+)	-		-	
<b>Cash generated from investment activities</b>	<b>(778.061)</b>		<b>(273.182)</b>	
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>5.177.201</b>		<b>923.831</b>	
Interest paid (-)	(4.638)		-	
Interest received (+)	270.819		923.831	
Change in borrowings	7.254.100		-	
Increase in special reserves	(2.343.080)		-	
Dividends paid (-)	-		-	
<b>Net cash generated from financial activities</b>	<b>5.177.201</b>		<b>923.831</b>	
<b>Net increase in cash and cash equivalents</b>	<b>(11.628.879)</b>	<b>(11.628.879)</b>	<b>(1.322.211)</b>	<b>(1.322.211)</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>14.168.861</b>		<b>35.214.687</b>	
<b>Cash and cash equivalents at the end of period</b>	<b>2.539.982</b>		<b>33.892.476</b>	

TÜRK PRYSMIAN KABLO VE SISTEMLERI A.Ş.

STATEMENT OF SHAREHOLDERS' EQUITY FOR THE YEARS ENDED 31 MARCH 2007 AND 31 DECEMBER 2006

(Amounts expressed in New Turkish liras (YTL) unless otherwise indicated)

	Share Capital	Adjustment to shareholders' equity (-)	Share Premium	Share Revaluation Fund	Inflation adjustment o shareholders' equity	Translation reserves	Legal Reserves	Statue Reserves	Reserves and Retained Earnings	Net profit for the period	Accumulated Losses	Total
<b>01-Jan-06</b>	39.312.000	-	-	-	72.937.515	-	204.679	-	138.747	12.040.301	(14.757.133)	109.876.109
Net income for the period										5.281.456	-	5.281.456
Offsetting of accumulated losses							(204.679)		(138.747)	(12.040.301)	12.383.727	-
Investment and property sales gains to be transferred to share capital												
<b>31-Dec-06</b>	39.312.000	-	-	-	72.937.515	-	-	-	-	5.281.456	(2.373.406)	115.157.565
<b>01-Jan-07</b>	39.312.000	-	-	-	72.937.515	-	-	-	10.813	5.281.456	(2.373.406)	115.168.378
Net income for the period										4.359.716	-	4.359.716
Dividends Paid							110.745	438.585	-	(5.281.456)	2.373.406	(2.358.720)
Investment and property sales gains to be transferred to share capital												
<b>31-Mar-07</b>	39.312.000	-	-	-	72.937.515	-	110.745	438.585	15.640	4.359.716	-	117.185.014