



**ENERJİSA**  
Türkiye'nin Enerjisi  
Energy of Turkey

# **ENERJİSA ENERJİ ANONİM ŞİRKETİ**

**ACTIVITY REPORT  
FOR THE PERIOD OF  
01.01.2019 – 31.12.2019**

(Convenience translation of a report originally issued in Turkish)

**INDEPENDENT AUDITOR'S REPORT  
ON THE ANNUAL REPORT OF THE BOARD OF DIRECTORS**

**To the Shareholders of Enerjisa Enerji A.Ş.**

**1) Opinion**

We have audited the annual report of Enerjisa Enerji A.Ş. ("the Company") and its subsidiaries ("the Group") for the period of 1/1/2019-31/12/2019.

In our opinion, the consolidated financial information provided in the annual report of the Board of Directors and the discussions made by the Board of Directors on the situation of the Group are presented fairly and consistent, in all material respects, with the audited full set consolidated financial statements and the information we obtained during the audit.

**2) Basis for Opinion**

We conducted our audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and Independent Auditing Standards ("InAS") which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey ("POA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Report* section of our report. We are independent of the Group in accordance with the *Code of Ethics for Independent Auditors* ("Code of Ethics") as issued by the POA, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**3) Our Auditor's Opinion on the Full Set Consolidated Financial Statements**

We have expressed an unqualified opinion in our auditor's report dated February 19, 2020 on the full set consolidated financial statements of the Group for the period of 1/1/2019-31/12/2019.

**4) The Responsibility of the Board of Directors on the Annual Report**

In accordance with Articles 514 and 516 of the Turkish Commercial Code 6102 ("TCC") and the provisions of the Communiqué II-14.1 on the "*Principles of Financial Reporting In Capital Markets*" ("the Communiqué") of the Capital Market Board ("CMB"), the management of the Group is responsible for the following items:

- a) Preparation of the annual report within the first three months following the balance sheet date and submission of the annual report to the general assembly.
- b) Preparation and fair presentation of the annual report; reflecting the operations of the Group for the year, along with its financial position in a correct, complete, straightforward, true and honest manner. In this report, the financial position is assessed according to the consolidated financial statements. The development of the Group and the potential risks to be encountered are also noted in the report. The evaluation of the board of directors is also included in this report.

**(Convenience translation of a report originally issued in Turkish)**

c) The annual report also includes the matters below:

- Subsequent events occurred after the end of the fiscal year which have significance,
- The research and development activities of the Group,
- Financial benefits such as salaries and bonuses paid to the board members and to those charged governance, allowances, travel, accommodation and representation expenses, financial aids and aids in kind, insurances and similar deposits.

When preparing the annual report, the board of directors takes into account the secondary legislative arrangements published by the Ministry of Customs and Trade and related institutions.

**5) Auditor's Responsibilities for the Audit of the Annual Report**

Our aim is to express an opinion, based on the independent audit we have performed on the annual report in accordance with provisions of the Turkish Commercial Code and the Communiqué, on whether the consolidated financial information provided in this annual report and the discussions of the Board of Directors are presented fairly and consistent with the Group's audited consolidated financial statements and to prepare a report including our opinion.

The independent audit we have performed is conducted in accordance with InAS and the standards on auditing as issued by the Capital Markets Board of Turkey. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the consolidated financial information provided in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the consolidated financial statements.

The name of the engagement partner who supervised and concluded this audit is Erdem Tecer.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of Ernst & Young Global Limited



Erdem Tecer, SMMM  
Partner

February 19, 2020  
İstanbul, Türkiye

## Chairman's Message

Dear shareholders,

In 2019, we witnessed a recovery of the Turkey market from the financial turmoil during 2018 with inflation and interest rates significantly contracting and the currency becoming relatively stable. While 2018 showed the resilience of Enerjisa to a crisis environment, 2019 demonstrated that the company is equally flexible to quickly adapt to a recovering macroeconomic situation. As a result of both macroeconomic sensitivities, as well as a very flexible financing structure, Enerjisa was able to again deliver an outstanding financial performance in a challenging environment.

The volatility we have experienced in our environment over the past two years has given the regulator the chance to prove the functioning of existing regulatory mechanisms, as well as the reliability of his actions in order to provide an attractive investment environment in a capital intensive, long-term infrastructure business. From today's perspective, we feel reassured with respect to both regulatory framework, as well as reliability of the regulator. Furthermore, also the regulator was reminded of the importance of these aspects, while getting prepared for the next regulatory period starting in 2021 in order to continue attracting the required private capital into the Turkish electricity grid infrastructure.

Over the course of last year, Enerjisa also had two key management changes. Dr. Michael Moser has joined Enerjisa as new CFO from one of our large shareholders E.ON. With his strong background in finance, M&A, legal and compliance as well as his experiences in emerging markets and the customer solutions business, he is well equipped to take the company to the next maturity level. Towards the end of 2019, Murat Pinar, our former COO of the Distribution business, joined as new CEO. With a tenure of more than 10 years at Enerjisa, Murat is a driving force of our business with deep operational understanding of the Distribution business. He will not only ensure continuity of our business, but also take a strong role in shaping the regulatory environment with the next regulatory period just ahead of us.

In the fiscal year 2019, the Board of Directors carefully performed all its duties and obligations under law, the company's Articles of Association, and its own policies and procedures. It thoroughly examined the company's situation and devoted particular attention to its continually changing energy-policy and economic environment.

As the Board of Directors, we advised the management of Enerjisa intensively about all business decisions of key importance and continually monitored the management's activities, assuring ourselves that Enerjisa's management was legal, purposeful, and orderly. At the Board of Directors' six regular meetings in the fiscal year 2019, we addressed in depth all issues relevant to the company, including the financial and operational performance of the business, the reorganization project as well as key strategic and financial projections. Moreover, Board Committees convened multiple times during 2019 in order to discuss specific and ad-hoc issues in the areas of risk, corporate governance, personnel nomination and remuneration as well as financing. Committees advised the Board of Directors and recommended decisions for approval.

The management regularly provided us with timely and comprehensive information in both written and oral form. At the meetings of the full Board of Directors and its committees, we had sufficient opportunity to actively discuss the management's reports, motions, and proposed resolutions. After thoroughly examining and discussing the resolutions proposed by the Management, the Board of directors approved them.

Ernst & Young, the independent auditor appointed by the Annual General Meeting in 2019 and proposed by the Board of Directors, audited and submitted an unqualified opinion on the Financial Statements of Enerjisa Enerji A.Ş. for the year ended December 31st, 2019. The Consolidated Financial Statements are prepared in accordance with IFRS. At the Board of Directors meeting on February 11th, 2020, we acknowledged and approved the audited financial statements following the recommendation by the Audit Committee, which thoroughly discussed the financial statements and related audit findings with the independent auditor directly.

The Board of Directors wishes to thank the management, all committees and all the employees of Enerjisa for their dedication and hard work during 2019. We furthermore like to thank our customers, who again have trusted us with providing "Turkey's Energy".

**Kıvanç ZAIMLER**  
Enerjisa Enerji Chairman

## 1- GENERAL INFORMATION

- a) Accounting period that the report relates to : 01.01.2019 – 31.12.2019
- b) Trade-name of the Company : ENERJİSA ENERJİ ANONİM ŞİRKETİ
- Trade registration number : 800865
- Head office contact details and website address : Barbaros Mah. Begonya Sok. Nida Kule  
Ataşehir Batı Sitesi No: 1 / 1  
Ataşehir-İSTANBUL  
Phone : 0216 579 05 79  
Fax : 0216 579 05 30  
e-mail : enerjisa-info@enerjisa.com  
website : [www.enerjisa.com.tr](http://www.enerjisa.com.tr)

### c) The organization, capital and shareholding structures of the Company and related changes in the fiscal period

#### Members of the Board of Directors:

The members of the Company's Board of Directors and independent board members are as follows:

- Kivanç ZAIMLER - Chairman
- Eric René C. DEPLUET - Vice Chairman
- Barış ORAN - Member
- Hakan TİMUR - Member
- Manfred Michael PAASCH - Member
- Eva-Maria Verena VOLPERT - Member
- Fatma Dilek YARDIM - Independent Board Member
- Mehmet SAMİ - Independent Board Member

At the 2018 Ordinary General Assembly meeting held on March 28, 2019; it was decided to approve the Board memberships of Kivanç ZAIMLER, Eric Rene C. DEPLUET and Manfred Michael PAASCH to perform their activities until the Ordinary General Assembly for 2021 where the results of 2020 activities.

Hakan TİMUR has been appointed as a member of the board of directors to replace Cenk ALPER, who resigned from the board of directors on August 28, 2019 to be approved at the next Ordinary General Assembly meeting. Hakan TİMUR has been appointed until the Ordinary General Assembly Meeting of 2020 to be held in 2021.

## Shareholding Structure of the Company:

Shareholder Name	Share / Voting Right			
	31.12.2018		31.12.2019	
	(TL)	(%)	(TL)	(%)
Hacı Ömer Sabancı Holding A.Ş.	472,427,587.56	40.0	472,427,587.56	40.0
DD Turkey Holdings S.A.R.L.	472,427,587.56	40.0	472,427,587.56	40.0
Other (Public)	236,213,792.00	20.0	236,213,792.00	20.0
<b>TOTAL</b>	<b>1,181,068,967.12</b>	<b>100.0</b>	<b>1,181,068,967.12</b>	<b>100.0</b>

## Changes that occurred in the Company Capital during the Period:

Not available.

**d) Remarks on privileged shares and voting rights of such shares, if any:** Not available.

**e) Information on the management body, senior officers and number of employees:**

As of 31 December 2019 the organization of Enerjisa management is as below:



Dr. Michael Sven Moser, working as Chief Financial Officer (New Customer Solutions) at E.ON has been appointed as Chief Financial Officer (CFO) effective from 1st of July, 2019, in Enerjisa Enerji.

The Group has 10,240 employees as of 31.12.2019.

**f) Rights and benefits granted to employees:**

Annual base remuneration consists of 12 base salaries and one bonus payment equivalent of one monthly salary amount in every three months.

**g) Information on the transactions executed by the members of the management body with the company on their own behalf or on behalf of others within the framework of the permission granted by the general assembly of the company as well as their activities under the scope of prohibition of competition, if any:**

The Chairman and the Members of the Board of Directors may not execute any transaction with the company on their own behalf or for or on account of others, personally or indirectly, without the prior permission of the General Assembly. During the period of 01.01.2019 – 31.12.2019, the members of our Board of Directors neither executed any transaction with the company, nor been involved in any attempts that can compete with the company in its fields of operation.

Furthermore, a Board of Directors' resolution had resolved on December 2019 that the Company's Board of Directors' members do not engage in any activity that may create a conflict of interest with the Company during their term of duty.

## 2- FINANCIAL RIGHTS GRANTED TO THE MEMBERS OF THE MANAGEMENT BODY AND THE SENIOR-LEVEL EXECUTIVE OFFICERS

Key management includes Chairman and members of the Board of Directors, General Manager, Heads of Units and Directors. The compensation paid or payable to key management for employee services is shown below in thousands of Turkish Lira:

	1 January - 31 December 2019	1 January - 31 December 2018
Short-term employee benefits	27,924	21,100
Long-term employee benefits	856	790
	<u>28,780</u>	<u>21,890</u>

## 3- RESEARCH AND DEVELOPMENT ACTIVITIES

There are no research and development activities conducted by the Company during the period of 01.01.2019 – 31.12.2019.

## 4- COMPANY'S OPERATIONS AND RELATED MAJOR DEVELOPMENTS

### a) Information on the main developments during the related fiscal period:

International credit rating agency Fitch Ratings has affirmed the National Long-Term Ratings of Enerjisa Enerji A.Ş. and its subsidiary, Başkent Elektrik Dağıtım A.Ş. at 'AA (tur)' with Stable Outlooks on 17 January 2020.

The Company held its Ordinary General Assembly for 2018 on March 28, 2019. The minutes of the meeting were announced to the public on our website and at PDP. According to the decision taken at the meeting:

Pursuant to a review of the Consolidated Financial Statements for the year 2018 prepared in accordance with the Turkish Financial Reporting Standards, it was resolved to propose to the General Assembly to distribute profit as follows from TL 747,697,000.00 Consolidated Net Profit incurred between 01.01.2018 - 31.12.2018;

- Payment of Gross TL 472,427,586.85 dividend in cash (Gross 40%, net 34%) to the shareholders who are representing the TL 1,181,068,967.12 capital,
- To reserve the remaining amount as extraordinary reserves (olağanüstü yedek akçe),
- In the statutory financials recorded in accordance with the Tax Procedure Law (vergi usul kanunu), the loss for the current year in amount of TL 158,223,869.47 has been netted off with the Share Premium,
- In the statutory financials recorded in accordance with the Tax Procedure Law, the dividend shall be distributed in amount of TL 196,227,508.51 from Previous Years' Profit and TL 276,200,078.34 from Extraordinary Reserves,

and it was resolved to propose the General Assembly to distribute the cash dividend, beginning from 2 April 2019.



Dividends derived from the Group's distributable earnings at 2018 have been distributed within April.

The Capital Markets Board has approved the request of the Company with regard to the independent board members with its letter dated February 21, 2019 by evaluating that the Company is in the scope of the exception regulated under the paragraph 6/1 of the Communiqué on Corporate Governance (II-17.1), which has the "Exception on Implementing the Corporate Governance Principles" title and the Company will continue to have two independent board of directors' members, instead of continuing with three board of directors' members.

The Competition Authority conducted an examination for electricity distribution and electricity retail sales companies in the market. Within this scope the Competition Authority started an investigation against distribution and incumbent retail companies in İstanbul Anatolian Side, Başkent and Toroslar regions to determine whether the companies had violated Article 6 of the Law on the Protection of Competition in December 2016.

The Competition Board has announced its short decision on August 9, 2018 and has imposed İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş., Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş., Enerjisa Başkent Elektrik Perakende Satış A.Ş. ve Enerjisa Toroslar Elektrik Perakende Satış A.Ş. a total administrative fine in the amount of TL 143,061,738.12. The reasoned decision of the investigation initiated by the Competition Board has been notified to the subsidiaries on February 7, 2019.

As a consequence, Enerjisa reported a corresponding provision expense of TL 107,296,303.59 in the in the 2018 year-end consolidated financial statements, as a discount of 25% can be applied to the fine in case the payment is made within 30 days as of the submission date of the reasoned decision. In our annual accounts the net profit impact was the aforementioned TL 107,296,303.59 while underlying net income was not affected.

The board has decided that there is no need to impose an administrative fine to Enerjisa Enerji A.Ş., Toroslar Elektrik Dağıtım A.Ş. and Başkent Elektrik Dağıtım A.Ş. The administrative fine in the total amount of TL 107,296,303.59 was paid by the aferomentioned companies on March 7, 2019.

A lawsuit can be filed in Ankara Administrative Court within 60 days from the notification of decision of the Competition Board. Accordingly, İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş. has initiated a lawsuit regarding the cancellation of the Competition Authority's decision within 13th Administrative Court of Ankara on April 5, 2019.

In the lawsuit filed at Ankara 13th Administrative Court, suspension of the execution of the Competition Authority's was requested. Ankara 13th Administrative Court refused the request on 10.07.2019. An objection was made by İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş. to the Ankara Regional Administrative Court's 8th Administrative Law Chambers regarding the decision of refusal within the legal period. Our objection was refused on 16.08.2019 by the Ankara Regional Administrative Court's 8th Administrative Law Chambers, since there was no violation of the law in the decision of refusal.

Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş., Başkent Elektrik Perakende Satış A.Ş. ve Enerjisa Toroslar Elektrik Perakende Satış A.Ş. have initiated the lawsuits regarding the cancellation of the Competition Authority's decision within 2<sup>nd</sup> Administrative Court of Ankara on April 4, 2019.

The first degree court has rejected Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş., Başkent Elektrik Perakende Satış A.Ş. ve Enerjisa Toroslar Elektrik Perakende Satış A.Ş. requests regarding suspension of execution. Objections to the District Administrative Court have been filed against the rejection decisions regarding suspension of execution. The District Administrative Court rejected our objections. Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş., Başkent Elektrik Perakende Satış A.Ş. ve Enerjisa Toroslar Elektrik Perakende Satış A.Ş. have submitted their reply's against defendant Competition Authority's rebuttal petition. First degree court's litigation is proceeding.

It has detected that the Competition Board had alleged that the cancellation lawsuits initiated by İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş. and Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş., Enerjisa Başkent Elektrik Perakende Satış A.Ş., Enerjisa Toroslar Elektrik Perakende Satış A.Ş. have connection and requested the files to be collected in a single lawsuit file. Accordingly, it has been decided by the Ankara Regional Administrative Court of the 8th Administrative Court that the 13th Administrative Court of Ankara will be competent for the file.

The developments related to this matter will be shared with our investors in accordance with the public disclosure requirements.

#### **b) Information on the operational developments during the related fiscal period:**

**Operational earnings** (EBITDA + Capex reimbursements) of Enerjisa Enerji A.Ş. have increased by TL 764 million (+20%) from TL 3,845 million at year-end 2018 to TL 4,609 million at year-end 2019.

This increase in operational earnings was mainly driven by the Distribution business unit, which as of end of 2019 contributed 88% of operational earnings for Enerjisa Enerji. The increase in the earnings of the Distribution business unit are mainly due to:

- **Financial Income:** TL 242 million higher financial income mainly driven by higher Regulatory Asset Base, which grew from TL 6.9 billion as of FY2018 to TL 8.4 billion as of FY2019.
- **CAPEX Reimbursements:** Capex reimbursements increased by TL 260 million from TL 798 million at year-end 2018 to TL 1,058 million at year-end 2019 due to higher RAB.
- **Efficiency & Quality:** Earnings contributions from efficiency and quality parameters increased by TL 86 million from TL 816 million at year-end 2018 to TL 902 million at year-end 2019, mainly due to TL 53 million higher theft accrual and collection performance and TL 44 million higher quality bonus.

The contribution of the Retail business unit in operational earnings increased in 2019, driven by increase in regulated segment sales gross profit by TL 36 million from TL 621 million at year-end 2018 to TL 657 million at year-end 2019 and free market segment gross profit increase by TL 51 million from TL 46 million to TL 97 million in FY2019.

Regulated segment sales decreased by 13% from 37.1 TWh at year-end 2018 to 32.4 TWh at year-end 2019 due to corporate customers subject to Last Resort Tariff (LRT) switching from regulated to free market. Liberalised segment sales decreased by 8% from 4.1TWh at year-end 2018 to 3.8 TWh at year-end 2019.

Enerjisa Enerji A.Ş. **Underlying Net Income** increased by TL 445 million from TL 730 million at year-end 2018 to TL 1,175 million at year-end 2019. Below Operational earnings, the main effects were as follows:

- TL 115 million higher depreciation, which was mainly a result of the implementation of the new IFRS16 standard that capitalizes rent expenses and therefore reclassifies operating expenses to depreciation and interest expenses.
- TL 216 million higher net loan interest expenses due to increase in cumulative average loan financing rate
- TL 223 million lower bond interest expense and TL 129 million lower deposit valuation expenses both driven by decreasing inflation.
- Effective tax rate decreased from 31% to 25% year-on-year.

The average cost of financing from loans has increased from 17.1% at year-end 2018 to 18.1% at year-end 2019, whilst in the same period the average cost of bond financing decreased from 28.2% to 12.9%.

Economic Net debt (including non-financial net debt, including lease liabilities and customer deposits) increased from TL 10.1 billion at year-end 2018 to TL 10.6 billion at year-end 2019.

**c) Information on the investments made by the Company during the related fiscal period:**

As of December, 31, 2019, Enerjisa with 11.2 million distribution connection points and with approximately 9.9 million customers is the leading downstream electricity company. The activities conducted by our Company, i.e. the umbrella company housing under its structure the operational companies such as İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş. (İstanbul Anatolian Side Electricity Distribution Co.), Başkent Elektrik Dağıtım A.Ş. (Başkent Electricity Distribution Co.), Toroslar Elektrik Dağıtım A.Ş. (Toroslar Electricity Distribution Co.), Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş. (İstanbul Anatolian Side Electricity Retail Sales Co.), Enerjisa Başkent Elektrik Perakende Satış A.Ş. (Enerjisa Başkent Electricity Retail Sales Co.), Enerjisa Toroslar Elektrik Perakende Satış A.Ş. (Enerjisa Toroslar Electricity Retail Sales Co.), Enerjisa Müşteri Çözümleri A.Ş. (Enerjisa Customer Solutions) and E-şarj Elektrikli Araçlar Şarj Sistemleri A.Ş. (Electric Vehicles and Charging Stations Co.). Our Company does not make any direct investment, but participate in the operational companies under its structure.

**d) Information on the internal control system and internal audit activities of the Company and the related opinion of the management body:**

**Audit Committee:**

Internal audit activities related with the efficiency of the internal control system of the Company are planned and conducted by the Internal Audit Department. The audit results are shared with Enerjisa Enerji A.Ş. Audit Committee composed of independent BoD members only and the company management and the planned actions are monitored.

Activities of the Internal Audit Department are regularly reported to the Audit Committee. In this scope, four audit committee meetings were held in the period of 01.01.2019 – 31.12.2019. Through these meetings, the audit committee was informed on topics including, but not limited to, improvement areas identified in audit/consultancy activities and relevant action plans, results of follow-up activities, information about performed ethics investigation activities and significant considerations about other activities.

The dates of the Audit Committee are as follows:

<b>Meeting Date</b>	<b>Members Participation</b>	<b>In-Depth Review Topic</b>
07.02.2019	Fatma Dilek Yardım Mehmet Sami Okan Gün	Update on audit and examination activities Financial Tables and Audit Report
29.04.2019	Fatma Dilek Yardım Mehmet Sami Okan Gün	Update on audit and examination activities Financial Tables
22.07.2019	Fatma Dilek Yardım Mehmet Sami Okan Gün	Update on audit and examination activities Financial Tables and Audit Report
22.10.2019	Fatma Dilek Yardım Mehmet Sami Okan Gün	Update on audit and examination activities Financial Tables

Audit Committee Members are as follows;

<b>Name Surname</b>	<b>Duty</b>	<b>Duty in the Board</b>
Fatma Dilek Yardım	Chairperson	Independent Board Member
Mehmet Sami	Member	Independent Board Member

### **Internal Audit:**

Enerjisa Internal Audit Department directly reports to the Audit Committee, which is a sub-committee of the Enerjisa Board of Directors per the necessity of independence and objectivity principles. The purpose of Internal Audit is to provide an opinion to the Board of Directors about the compliance of the Company and its subsidiaries' activities with laws, other applicable legislation, internal strategies, policies and procedures, and the effectiveness and adequacy of internal controls. With these efforts and structuring, it is aimed to take preventive measures, protect the company assets, improve business processes and provide added value for the entity by way of giving opinions and suggestions to increase operational efficiency. In accordance with this objective, internal audit activities are conducted in the frame defined through approved audit committee and internal audit charters.

The risk assessment results of the Company are updated every year, and the risk-based annual internal audit plan is submitted to the approval of the Audit Committee and the Board of Directors after obtaining the comments of the Senior Management. Each year, the audits within the scope of the approved audit plan are performed in accordance with international audit standards and COSO (Committee of Sponsoring Organizations of the Treadway Commission) requirements. This confirmation is certified through the independent quality assurance assessment performed in 2018.

Internal Audit is responsible from the evaluation and examination processes of ethics notifications related to the employees and other stakeholders (shareholders, customers, suppliers, public institutions). In addition to its auditing function, Internal Audit also provides consultancy services in line with its vision and mission, as required by its principle of being a "reliable business partner" and upon the requests of the Senior Management.

**e) Information on the Company's direct or indirect participations/subsidiaries and the share ratios:**

The direct participation shares held by the Company are as follows:

	<u>Place of incorporation and operation</u>	<u>Proportion of ownership interest and voting power held by the Group (%)</u>		<u>Principal activity</u>
		<u>31 December 2019</u>	<u>31 December 2018</u>	
Başkent Elektrik Dağıtım A.Ş.	Ankara	100	100	Electricity distribution services
Enerjisa Başkent Elektrik Perakende Satış A.Ş.	Ankara	100	100	Electricity retail services
İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş.	İstanbul	100	100	Electricity distribution services
Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş.	İstanbul	100	100	Electricity retail services
Toroslar Elektrik Dağıtım A.Ş.	Adana	100	100	Electricity distribution services
Enerjisa Toroslar Elektrik Perakende Satış A.Ş.	Adana	100	100	Electricity retail services
Enerjisa Müşteri Çözümleri A.Ş.	İstanbul	100	100	Customer solutions and distributed generation services
E-şarj Elektrikli Araçlar Şarj Sistemleri A.Ş.	İstanbul	80	80	Electric vehicles and charging stations equipment services

**f) Information on the own shares of the company acquired:**

The company does not own any shares in the related period.

**g) Information on private audit and public audit conducted in the fiscal period:**

The interim condensed consolidated financial reports of our Company for the period of 01.01.2019 – 31.12.2019 prepared in accordance with IFRS audited by independent auditors.

There is no public audit conducted in relation to our Company within the period that ended by 31.12.2019.

**h) Information on legal actions filed against the Company which might adversely affect the financial situation and operations of the Company and their possible consequences:**

There are no cases filed against the Company within the period of 01.01.2019 – 31.12.2019, which may adversely affect the financial situation and operations of the Company.

**i) Information on the administrative or judicial sanctions imposed on the Company and the members of its management body for practices in breach of the provisions of applicable legislation:**

There is no judicial or administrative sanction imposed on the Company and the members of the Board of Directors for practices contrary to applicable laws and regulations.

**j) Information and evaluation on whether the goals set in the previous periods were achieved, and whether the decisions of the general assembly were implemented, and if not, the related reasons for failure to achieve such goals or to implement such decisions:**

There has been no major deviation from our Company's budgetary targets for the period of 01.01.2019 – 31.12.2019.

**k) If any extraordinary general assembly meeting has been held during the year, information on such extraordinary general assembly meeting including the date of the meeting, the decisions taken in such meeting and the related activities:**

None.

**l) Information on the Company's donations and aids and its expenditures made on social responsibility projects during the year:**

Our Company has made donations and aids at the amount of TL 10,513,000 within the period of 01.01.2019 – 31.12.2019.

**m) If a company operating under a group of companies; legal actions taken with the parent company, or any subsidiary of the parent company in favour of the parent company or any subsidiary thereof upon the instructions of the parent company and all the other measures taken or avoided in favour of the parent company or any subsidiary thereof in the previous fiscal year:**

There are no legal actions that we have taken with Hacı Ömer Sabancı Holding A.Ş., DD Turkey Holdings S.A.R.L. or any subsidiary thereof or in favour of them or any of their subsidiaries upon their instructions; and there are no actions taken or avoided in favour of Hacı Ömer Sabancı Holding A.Ş., DD Turkey Holdings S.A.R.L. or any of their subsidiaries.

**n) The company's sources of finance and the nature and value of the capital markets instruments issued, if any**

Enerjisa Group mostly uses sources of finance via the loans received from the Turkish banks in Turkish Lira.

On 5 March 2019, in accordance with the authorization given by the Company's Articles of Association and with the provisions of the Capital Markets Board's Communiqué on Debt Securities, our Board of Directors has decided on issuance of bonds or bills for a total amount up to TRY 1,500,000,000 denominated in Turkish Lira with various maturities up to 6 (six) years, to be sold to domestic qualified investors or sold via private placement without public offering, one or more at a time, in this scope to make an application to the Capital Markets Board for the approval of the issuance certificate; if the application is approved, it is decided to give authorization to the company management in order to determine all conditions within the scope of these restrictions to be realized within one year as of the approval date, to make all the necessary applications to the relevant authorities for the arrangement of the contracts and to perform all necessary operations.

The Group has a total of TL 1,002,000,000 bonds in circulation as of 31 December, 2019. There are no new bonds issued within the period.

#### **o) Events that occurred after the Balance Sheet Date**

Applicable starting from 1 December 2020, EMRA has announced that single-time retail sales tariff reflected to the end user according to customer groups in national tariff has been increased between 1.9% - 10.4% and distribution tariff has been increased by 10.6%.

With the statement made on January 17, 2020, Fitch Ratings confirmed the long-term national credit rating of the Group and BAŞKENT EDAŞ as AA (tur), Stable due to healthy financial performance, strong operational cash flow, regulated business structure and prudent leverage management.

#### **p) Other issues not included in the financial statements, but useful to know for interested parties**

None.

**q) If a company operating under a group of companies; information about whether a counter action was provided appropriate for each legal action and whether the measure taken or avoided caused the company to suffer a loss; and if the company suffered a loss, whether it was compensated or not according to the situation and conditions known by them at the time when the legal action or the measure mentioned in the subparagraph (i) was performed or taken or avoided:**

To the best of our knowledge of current conditions, the legal actions taken by our Company with the controlling companies or any of their subsidiaries or in favour of the controlling companies or any of their subsidiaries upon the instructions of the controlling companies and all the other measures taken or avoided in favour of the controlling companies or any of their subsidiaries in the fiscal period of 01.01.2019 – 31.12.2019 were evaluated in the form of a report under the scope of all transactions performed between our Company and the controlling company and its affiliated companies during the Fiscal Period of 01 January 2019 – 31 December 2019, which were conducted in full conformity with the honest and fair accounting principles according to the conditions well known to us. Our company did not suffer any loss resulting from any transaction executed under known conditions in connection with the Fiscal Period of 01.01.2019 – 31.12.2019.

### **5- FINANCIAL SITUATION**

**a) Management body's analysis and assessment of the financial position and operational results, the extent of realization of planned activities, and the company's position against defined strategic goals:**

Our Company's financial results for the period of 01.01.2019 – 31.12.2019 are provided in the enclosed Balance Sheet and Income Statement.

**b) Company's sales, productivity, income generation capacity, profitability and debt to equity ratio within the year in comparison with the previous years, and information on any other issues that might suggest the company's operational results and future expectations:**

The Company's gross profit as of 31 December 2019 is TL 5,344,471,000

The Company's net debt to equity ratio has been recorded as 57% in the period of 01.01.2019 – 31.12.2019.

There is no revenue risk predicted for the Company.

**c) Determination about whether the Company's capital has remained without reserve or whether it has run into debt and the management body's evaluations related thereof:**

The Company is not in a deep-in-debt (technical bankruptcy) situation according to the evaluations made pursuant to Article 376 of the Turkish Commercial Code.

#### **d) Measures planned to improve the financial structure of the Company, if any:**

Since the Company's financial and capital structures are strong, there are no measures planned to be taken to improve the financial structure of the Company.

#### **6- AMENDMENTS TO ARTICLES OF ASSOCIATION MADE IN THE PERIOD AND THE RELATED REASONS**

The Article 6 ("Head Office and Branch Offices") of the articles of association of the Company was amended during the General Assembly Meeting held on 28 March 2019 in accordance with the required permits of the Capital Markets Board and Ministry of Customs and Trade in order to provide the compliance with the Company's actual head office address.

#### **7- RISKS AND THE EVALUATION OF THE MANAGEMENT BODY**

##### **a) Risk Management Framework of Enerjisa**

Enerjisa's Risk Management Framework aims to define all risks and opportunities, which may cause a deviation from financial, operational and strategic plans and enables to assess, classify and mitigate these risks through various methodologies. The ultimate goal of the framework is to provide transparency to management functions and influence decision making processes via regular reporting.

All risks and opportunities are identified through a detailed assessment process. For each risk and opportunity, best, base and worst cases are simulated with their probability of occurrence. For the risks that are not easy to quantify, impact and occurrence levels are defined based on other approaches and prioritised accordingly. These assessments form the basis of the Enerjisa Risks and Opportunities reporting, which is presented to top management as well as to the Enerjisa Early Risk Detection Committee.

##### **b) Key Risks and Opportunities**

Due to the nature of the electricity distribution and retail business, Enerjisa is exposed to various risks and opportunities throughout the value chain. Based on their sources, risks and opportunities are classified in five categories and monitored accordingly.

###### **i. Regulatory Risks and Opportunities**

The electricity distribution and retail businesses are regulated businesses under the supervision of EMRA and are governed by the Electricity Market Law and relevant secondary regulations. For regulated customers Enerjisa applies the National Tariff which is determined by EMRA on a quarterly basis. Among other components, the National Tariff is composed of a regulated distribution tariff and a regulated retail sales tariff. EMRA determines the components of the National Tariff for each tariff implementation period, and the 3rd tariff implementation period covers the period between 2016 and 2020. However, the final values of the Distribution Tariff and Retail Energy Sales Tariff, which are reflected to end-users' invoices, are determined by EMRA on a quarterly basis, in order to reflect changes in market costs to tariffs.



As the majority of Enerjisa revenue is generated from our electricity distribution operations and retail sales to regulated customers, which are both subject to regulated tariffs set by EMRA, any change on these tariff components and/or calculation methodologies mean a significant deviation from Enerjisa plans.

Additionally, the regulations issued by EMRA, among other matters, impose organizational and operational restrictions on, and requirements with respect to our electricity distribution and retail sales operations. These requirements and restrictions are audited by regulatory authorities (mainly by EMRA) and any non-compliance detected upon these audits may have an adverse effect on Enerjisa financial and operational plans.

Enerjisa engages in regular and constructive consultations with sector participants to monitor regulatory related risks and opportunities. Additionally, through transparent reports and structured projects, Enerjisa, as the market leader, actively seeks a rational fact-based discussion with all sector participants.

#### ii. Market Risks and Opportunities

Enerjisa is subject to financial market risks relating to interest rate fluctuations due to our financial borrowings as well as foreign exchange rate fluctuations due to Feed-in-Tariff regulation.

Enerjisa is also subject to commodity market risks related to OTC price and volume fluctuations due to our sourcing strategy for retail sales business and other commodity price fluctuations due to our raw material procurements (transaction are in local currency, but highly correlated with related commodity prices) for the Distribution business.

Enerjisa uses systematic approaches to forecast market parameters such as price, rates, demand etc. Existing and expected exposures are monitored regularly and through hedging operations the risk exposure is kept at an optimum level. Hedging strategies, their effectiveness and further plans are discussed regularly in the Finance Committee and Commodity Risk Committee.

#### iii. Credit Risks and Opportunities

Enerjisa retail companies are exposed to counterparty credit risk with respect to the collection of invoices for regulated and liberalized customers.

Enerjisa distribution companies are also exposed to counter-party credit risk in respect of their distribution system users, municipalities and provincial special administrations that are in our distribution regions and use the general illumination. However, as Distribution companies receive reimbursements for overdue receivables from EMRA within two years, credit risk for our Distribution business only has a cash flow rather than a revenue impact. Enerjisa is exposed to credit risk with respect to its transactions with financial counterparties (mainly loan providers).

Enerjisa manages credit risks by requiring security deposits from regulated customers and letters of guarantee or other form of securities from liberalised customers to secure present and future invoices. Timely invoicing, efficient receivable management and credit scoring of large customers enables Enerjisa to mitigate credit risk as much as possible.

For the mitigation of financial counterparty credit risks, apart from reporting and monitoring activities, Enerjisa is exclusively engaging with counterparties that have a rating of no more than 2 notches below the Turkish sovereign rating. Moreover, diversification of banks in the portfolio of financial hedging instruments as well as cash deposits is ensured.

iv. Liquidity Risk

Enerjisa is exposed to liquidity risk due to the ongoing funding needs which arise from Distribution network investments. While Enerjisa expects that these funding needs can be covered by external debt capital providers, market situations may arise in which conventional sources of liquidity are limited.

Enerjisa manages liquidity risk by actively seeking to extend average tenors of the loan portfolio as well as to develop alternative sources of debt capital (e.g. corporate bonds). Furthermore, Enerjisa regularly forecasts short and mid-term funding needs in order to anticipate liquidity needs in time to prepare and act accordingly.

v. Operational Risks

All processes throughout the value chain in Enerjisa are exposed to operational risks such as Information, Technologies (availability, integrity, security of data), Health and Safety (mostly in Distribution business), Environment and Reputation risks are the main categories that are identified and managed accordingly.

For all types of operational risks, relevant procedures and policies are structured and published in Enerjisa's quality systems. Committees are assigned to review all event occurrences and to monitor existing mitigation actions.

**c) Enerjisa Risk Monitoring Procedure**

All risks and opportunities are identified through a detailed assessment process. For each risk and opportunity, best, base and worst cases are simulated with their probability of occurrences. Correlations are considered during consolidation of risk and opportunity impacts. For the risks that are not easy to quantify, impact and occurrence levels are defined based on other approaches and prioritized accordingly. These assessments form the basis of the Enerjisa Risks and Opportunities reporting, which is presented to top management as well as to the Enerjisa Early Risk Detection Committee.

**d) Enerjisa Early Risk Detection Committee**

The Enerjisa Board delegates the monitoring of risks to the Early Risk Detection Committee. Members to the committee are selected board members (including two independent members) and the committee is chaired by an independent Board Member. Aside from receiving regular Risks and Opportunities reports, each meeting agenda includes an in-depth review of a prioritized topic. The Early Risk Detection Committee reports directly to the Enerjisa Board.

Early Risk Detection Committee is responsible to advise Board regarding risk and opportunity definitions which threaten company's existence and strategies, relevant mitigation actions, early detections and precautions. Following Board review, agreed actions are monitored by the Enerjisa CFO and Early Risk Detection Committee.

The meetings of the Committee are organized at least four times (once every three months around quarter closings) per year. As of fourth quarter of 2019, the Early Risk Detection Committee had five physical meetings and three report circulations. Meeting and report circulation dates, members participation and in-depth review topics have been the following:

Meeting Date	Members Participation / Report Recipients	In-Depth Review Topic
7 February 2019	Dilek Yardım Mehmet Sami Cenk Alper Eric Depluet	Enerjisa Process Universe
8 April 2019	Dilek Yardım Mehmet Sami Cenk Alper	Enerjisa Financial Risk Management
10 June 2019 (Report Circulation)	Dilek Yardım Mehmet Sami Cenk Alper Eric Depluet	Enerjisa H1 Qualitative Risk Report
30 July 2019	Dilek Yardım Mehmet Sami	Deep-Dive on Credit and Regulatory Risks
8 August 2019 (Report Circulation)	Dilek Yardım Mehmet Sami Eric Depluet	Operational Risk Universe Project
8 October 2019 (Report Circulation)	Dilek Yardım Mehmet Sami Eric Depluet Hakan Timur	Operational Risk Universe Project
22 October 2019	Dilek Yardım Mehmet Sami Eric Depluet	2020 Budget Risks and Opportunities
3 December 2019	Dilek Yardım Hakan Timur Eric Depluet	2019 Committee Performance Review and 2020 Planning

#### e) Enerjisa Corporate Governance Committee

Following the IPO in February 2018, the Corporate Governance Committee has been enacted at the General Assembly Meeting held on March 29th, 2018. Members of the committee are selected board members, as well as the Enerjisa CFO and committee is chaired by an independent Board Member.

The purpose of Corporate Governance Committee is to make suggestions to the Board of Directors of the Company in order:

- To ensure the compliance of the corporate governance principles of the Company with the Corporate Governance Principles as determined by the Board and other internationally accepted corporate governance principles and best practices,
- To make advices in order for implementation of such principles,
- To follow-up compliance of the Company with such principles.

This Committee also performs the governance related duties of the Nomination Committee and the Remuneration Committee within the Company.

The meetings of the Committee are organized at least four times (once every three months around quarter closings) per year. As of third quarter of 2019, the Corporate Governance Committee had four physical meetings. Meeting and report circulation dates and in-depth review topics have been the following:

<b>Meeting Date</b>	<b>Members Participation</b>	<b>In-Depth Review Topic</b>
7 February 2019	Mehmet Sami Sascha Bibert Manfred Paasch Cenk Alper	Corporate Communications, Human Resources and Investor Relations Presentations Corporate Governance Committee Charter
18 April 2019	Mehmet Sami Sascha Bibert	Corporate Communications, Human Resources and Investor Relations Presentations Sustainability Report & BIST Sustainability Index Application Corporate Governance Index
4 July 2019	Mehmet Sami Manfred Paasch Cenk Alper	Corporate Communications, Human Resources and Investor Relations Presentations Sustainability Report & BIST Sustainability Index Application Corporate Governance Index
22 October 2019	Mehmet Sami Dr. Michael Sven Moser Manfred Paasch	Corporate Communications, Human Resources and Investor Relations Presentations Sustainability Report & BIST Sustainability Index Application Corporate Governance Index

Best regards,

**Report date: 19.02.2020**

Murat Pınar,  
CEO

Dr. Michael Sven Moser,  
CFO

## ENERJISA ENERJİ A.Ş. AND ITS SUBSIDIARIES

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

(Amounts expressed in thousands of Turkish Lira (“TL”), unless otherwise indicated.  
Currencies other than TL are also expressed in thousands unless otherwise indicated.)

ASSETS	Notes	Audited / current period 31 December 2019	Audited / prior period 31 December 2018
<b>Current Assets</b>		<b>5,781,800</b>	<b>5,872,184</b>
Cash and Cash Equivalents	28	469,786	562,352
Financial Assets	10	1,098,550	791,117
Trade Receivables	6	3,009,455	3,512,389
<i>Due from Related Parties</i>	5	17,679	130,832
<i>Due from Third Parties</i>		2,991,776	3,381,557
Other Receivables	7	1,022,446	458,449
<i>Due from Third Parties</i>		1,022,446	458,449
Derivative Financial Instruments	26	7,829	313,028
Inventory	8	131,953	147,956
Prepaid Expenses	9	41,474	71,355
Assets Related with Current Taxes	24	60	8,565
Other Current Assets	17	247	6,973
<b>Non-Current Assets</b>		<b>17,613,658</b>	<b>16,720,626</b>
Other Receivables	7	737,736	983,545
<i>Due from Third Parties</i>		737,736	983,545
Derivative Financial Instruments	26	960	-
Financial Assets	10	9,445,286	8,503,518
Right of Use Assets	11	145,483	-
Property, Plant and Equipment	12	483,543	358,781
Intangible Assets	13	6,548,405	6,745,195
<i>Goodwill</i>		1,977,127	1,977,127
<i>Other Intangible Assets</i>		4,571,278	4,768,068
Prepaid Expenses	9	1,642	2,575
Deferred Tax Assets	24	244,040	2,847
Other Non-Current Assets	17	6,563	124,165
<b>TOTAL ASSETS</b>		<b>23,395,458</b>	<b>22,592,810</b>

## ENERJISA ENERJİ A.Ş. AND ITS SUBSIDIARIES

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

(Amounts expressed in thousands of Turkish Lira (“TL”), unless otherwise indicated.  
Currencies other than TL are also expressed in thousands unless otherwise indicated.)

LIABILITIES	Notes	Audited / current period 31 December 2019	Audited / prior period 31 December 2018
<b>Current Liabilities</b>		<b>7,331,012</b>	<b>7,011,907</b>
Short-Term Financial Liabilities	25	676,281	998,170
Short-Term Portion of Long Term Financial Liabilities	25	3,015,735	2,435,639
Other Financial Liabilities	25	51,184	44,302
Trade Payables	6	2,611,620	2,480,917
<i>Due to Related Parties</i>	5	96,906	94,217
<i>Due to Third Parties</i>		2,514,714	2,386,700
Payables for Employee Benefits	16	52,358	43,217
Other Payables	7	174,660	223,902
<i>Due to Third Parties</i>		174,660	223,902
Derivative Financial Instruments	26	66,655	3,582
Deferred Income	9	8,284	74,752
Income Tax Liability	24	79,733	52,416
Short-Term Provisions		289,026	364,105
<i>Provisions for Employment Benefits</i>	16	41,190	28,779
<i>Other Short-Term Provisions</i>	14	247,836	335,326
Other Short-Term Liabilities	17	305,476	290,905
<b>Non-Current Liabilities</b>		<b>9,229,943</b>	<b>9,281,988</b>
Long-Term Financial Liabilities	25	5,378,462	5,765,047
Other Financial Liabilities	25	302,714	321,720
Other Payables	7	1,903,683	1,693,350
<i>Due to Third Parties</i>		1,903,683	1,693,350
Derivative Financial Instruments	26	-	7,722
Long-Term Provisions		167,216	115,366
<i>Provisions for Employment Benefits</i>	16	167,216	115,366
Deferred Tax Liabilities	24	1,477,868	1,378,783
<b>TOTAL LIABILITIES</b>		<b>16,560,955</b>	<b>16,293,895</b>

## ENERJISA ENERJİ A.Ş. AND ITS SUBSIDIARIES

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

(Amounts expressed in thousands of Turkish Lira (“TL”), unless otherwise indicated.  
Currencies other than TL are also expressed in thousands unless otherwise indicated.)

<b>LIABILITIES</b>	<b>Notes</b>	<b>Audited / current period 31 December 2019</b>	<b>Audited / prior period 31 December 2018</b>
<b>Equity</b>		<b>6,834,503</b>	<b>6,298,915</b>
Registered Share Capital	18	1,181,069	1,181,069
Adjustments to Share Capital	18	2,626,532	2,784,755
<b>Total Share Capital</b>		<b>3,807,601</b>	<b>3,965,824</b>
Other Funds		4,340	4,340
Accumulated Other Comprehensive Expenses not to be Reclassified to Profit or Loss in Subsequent Periods		(3,464)	(3,464)
<i>Accumulated Loss on     Remeasurement of Defined Benefit Plans</i>		(3,464)	(3,464)
Accumulated Other Comprehensive (Expense) / Income to be Reclassified to Profit or Loss in Subsequent Periods		(2,248)	23,359
<i>Hedge Reserves</i>		(2,248)	23,359
Restricted Profit Reserves	18	251,545	216,612
Retained Earnings		1,743,107	1,344,547
Profit for the Period		1,033,622	747,697
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>23,395,458</b>	<b>22,592,810</b>

## ENERJISA ENERJİ A.Ş. AND ITS SUBSIDIARIES

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

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

Currencies other than TL are also expressed in thousands unless otherwise indicated.)

	Notes	Audited / current period 1 January - 31 December 2019	Audited / prior period 1 January - 31 December 2018
Revenue	19	19,453,085	18,346,787
Cost of Sales (-)	20	(14,108,614)	(12,380,265)
<b>GROSS PROFIT</b>		<b>5,344,471</b>	<b>5,966,522</b>
General Administrative Expenses (-)	21	(2,170,485)	(1,848,857)
Other Income from Operating Activities	22	552,300	373,549
Other Expenses from Operating Activities (-)	22	(662,080)	(1,680,023)
<b>OPERATING PROFIT BEFORE FINANCE INCOME / (EXPENSE)</b>		<b>3,064,206</b>	<b>2,811,191</b>
Finance Income	23	170,627	104,870
Finance Expense (-)	23	(1,843,477)	(1,594,065)
<b>PROFIT BEFORE TAX</b>		<b>1,391,356</b>	<b>1,321,996</b>
<b>Tax Expense</b>		<b>(357,734)</b>	<b>(574,299)</b>
Current Tax Expense	24	(492,099)	(85,949)
Deferred Tax Income / (Expense)	24	134,365	(488,350)
<b>PROFIT FOR THE PERIOD</b>		<b>1,033,622</b>	<b>747,697</b>
<b>OTHER COMPREHENSIVE INCOME AND EXPENSE</b>			
<b>Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods</b>		<b>-</b>	<b>1,777</b>
Gain on Measurement of Defined Benefit Obligation		-	2,279
Income Tax Relating to Other Comprehensive Income	24	-	(502)
<b>Other Comprehensive (Expense) / Income to be Reclassified to Profit or Loss in Subsequent Periods</b>		<b>(25,607)</b>	<b>23,359</b>
(Losses) / Gains on Hedges	26	(33,350)	29,947
Income Tax Relating to Other Comprehensive Income / Expense	24	7,743	(6,588)
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>1,008,015</b>	<b>772,833</b>
<b>Earnings per share</b>			
Earnings per share (kr)	18	0.88	0.63