For Immediate Release 11 September 2018

DP Eurasia N.V.

("DP Eurasia" or the "Company", and together with its subsidiaries, the "Group")

Interim Results for the Period Ended 30 June 2018

Robust top line growth, strong network growth, and continued operational delivery

Highlights

	For the period ended 30 June		
	2018	**Restated[9] 2017**	**Change**
	(in millions of TRY, unless otherwise indicated)		
Number of stores	**672**	**593**	**79**
Group System Sales [1]			
Turkey	351.6	304.1	15.6%
Russia	152.7	90.5	68.8%
Azerbaijan & Georgia	6.1	3.9	56.8%
Total	**510.4**	**398.5**	**28.1%**
Group Like-for-like growth[2]			
System sales			
Turkey	10.9%	6.9%	
Russia (based on RUB)	18.0%	31.3%	
Revenue	**380.2**	**287.7**	**32.2%**
Turkey adjusted EBITDA[3]	**36.5**	**32.5**	**12.1%**
Russia adjusted EBITDA[3]	**7.4**	**4.9**	**49.2%**
Adjusted EBITDA[3]	**40.3**	**37.3**	**8.0%**
Adjusted net income[4]	**(9.1)**	**(2.4)**	**n/a**
Adjusted net debt[5]	**149.5**		

Operational Highlights

- 79 new stores were added over the last 12 months, bringing the total number to 672
- Turkey and Russia like-for-like growth is strong, leveraging the Group's online ordering platforms - online delivery system sales as a share of delivery system sales reached 59.3% for the period (2017 H1: 49.7%)
- Group online system sales growth of 64.5%
    - Turkish online systems sales growth of 46.9%
    - Russian online system sales growth of 106.9% (88.6% based on RUB)

Financial Highlights

- Group revenue up 32.2% and system sales up 28.1%, driven by both like-for-like growth and store openings
  - Turkish systems sales growth of 15.6%
  - Russian system sales growth of 68.8% (54.0% based on RUB)
- Adjusted EBITDA up 8.0% to TRY 40.3 million (2017 H1: TRY 37.3 million), impacted by increased Dutch corporate expenses of TRY 3.5 million (2017 H1: TRY 0.1 million) and planned corporate and franchise operation teams recruitment in preparation for the next phase of growth in Russia
- Adjusted net income TRY (9.1) million; affected by increased financial expense of TRY 16.8 million (2017 H1: TRY 10.0 million)
- The Euro denominated Russian loans were refinanced by a Rouble denominated loan in July 2018, resulting in no residual hard currency net debt for the Group
- The Board expects the full year Adjusted EBITDA(3) for 2018 to be in line with expectations(6)

Commenting on the results, Chief Executive Officer, Aslan Saranga said:

"It gives me great pleasure to announce another strong set of results for the first half of 2018, during which we have grown our top-line as well as adjusted EBITDA in both Turkey and Russia.

"We have added 29 stores to our store count in the first half of the year and we are moving towards reaching the 700th store milestone later in 2018. In Russia, we are continuing with our regional push with planned expansions into new cities during the second half after adding Rostov, Voronezh, Kazan, and Nizhny Novgorod among other cities in the first half of the year.

"Online ordering continues to be the main driver behind our like-for-like growth in both markets and online delivery system sales reached 59.3% of delivery system sales for the first half of 2018 with Turkey also surpassing the 50% threshold. The revamped apps launched in the second half of 2017 are continuing to contribute to this increasing online trend. In August, we launched our enhanced websites in Turkey and plan to launch them in Russia towards the end of 2018. We are also continuing with GPS Tracker installations in Turkey where more than 400 stores have already been installed with the necessary hardware. We plan to launch this new tool for Turkey in early 2019.

"With respect to the macroeconomic headwinds that we are experiencing in Turkey, we are offsetting the impact of higher inflation by increasing our prices more frequently without any discernible negative impact on volumes. The management team continues to focus on pricing, tight control of the cost base, supporting franchisees and careful management of net indebtedness and foreign exchange exposures to ensure that we protect the business through this period of economic volatility. Historically, the business has been relatively robust in challenging economic conditions and we continue to monitor the situation closely given the uncertain short term outlook. This is my third such experience at the helm of DP Eurasia during a difficult macroeconomic environment in Turkey and on each previous occasion we have come through stronger relative to the competition due to our market leadership position, focus on value and service to the customer and resilient franchise partners.

"The Board expects the full year Adjusted EBITDA(3) for 2018 to be in line with expectations.(6)"

<u>**Enquiries**</u>

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A meeting for analysts will be held at 9.30am on 11 September 2018 at the offices of Buchanan. A live audio webcast and conference call facility will be available.

Webcast:	http://webcasting.buchanan.uk.com/broadcast/5b6035f4d3653708d12fdcfe
Conference call:	UK Toll: 02034281542 UK Toll Free: 08082370040 Participant PIN code: 53877066# URL for international dial in numbers: http://events.arkadin.com/ev/docs/FEL_Events_International_Access_List.pdf

For additional details and registration for the analyst briefing, please contact Buchanan on +44 20 7466 5000 / dp@buchanan.uk.com.

Following the meeting, a webcast replay will be available from midday at www.dpeurasia.com.

Notes

(1) System sales are sales generated by the Group's corporate and franchised stores to external customers and do not represent revenue of the Group.

(2) Like-for-like growth is a comparison of sales between two periods that compares system sales of existing system stores. The Group's system stores that are included in like-for-like system sales comparisons are those that have operated for at least 52 weeks preceding the beginning of the first month of the period used in the like-for-like comparisons for a certain reporting period, assuming the relevant system store has not subsequently closed or been "split" (which involves the Group opening an additional store within the same map of an existing store or in an overlapping area).

(3) EBITDA and adjusted EBITDA are not defined by IFRS. Adjusted EBITDA excludes income and expenses which are not part of the normal course of business and are non-recurring items, consisting of restructuring costs, IPO-related expenses, and share based incentives. Management uses this measurement basis to focus on core trading activities of the business segments and to assist it in evaluating underlying business performance. Please refer to Note 3 in the Condensed Consolidated Financial statements for a reconciliation of these items with IFRS.

(4) Adjusted net income is not defined by IFRS. Adjusted net income excludes income and expenses which are not part of the normal course of business and are non-recurring items. Management uses this measurement basis to focus on core trading activities of the business segments and to assist it in evaluating underlying business performance. Please refer to Note 3 in the Condensed Consolidated Financial statements for a reconciliation of this item with IFRS.

(5) Net debt and adjusted net debt are not defined by IFRS. Adjusted net debt includes cash deposits used as a loan guarantee and cash paid, but not collected during the non-working day at the year end. Management uses these numbers to focus on net debt including deposits not otherwise considered cash and cash equivalents under IFRS. Please refer to Note 3 in the Condensed Consolidated Financial statements for a reconciliation of these items with IFRS.

(6) The board's expectations incorporate adverse impact of the adoption of IFRS 15 for the full year. The adverse effect of the adoption of IFRS 15 was TRY 2.7 million on the Group's adjusted EBITDA for the period ended 30 June 2018.

(7) Delivery system sales are system sales of the Group generated through the Group's delivery distribution channel.

(8) Online system sales are system sales of the Group generated through its online ordering channel.

(9) Please refer to Note 2.3 in the Condensed Consolidated Financial statements for the details of the restatement due to IFRS 15 adoption.

Notes to Editors

DP Eurasia N.V. is the exclusive master franchisee of the Domino's Pizza brand in Turkey, Russia, Azerbaijan and Georgia. The Company was admitted to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange plc on 3 July 2017. The Company (together with its subsidiaries, the "Group") is the largest pizza delivery company in Turkey and the third largest in Russia. The Group offers pizza delivery and takeaway/ eat-in facilities at its 672 stores (521 in Turkey, 142 in Russia, six in Azerbaijan and three in Georgia as at 30 June 2018), and operates through its owned corporate stores (37%) and franchised stores (63%). The Group maintains a strategic balance between corporate and franchised stores, establishing networks of corporate stores in its most densely populated areas to provide a development platform upon which to promote best practice and maximise profitability. The Group has adapted the Domino's Pizza globally proven business model to its local markets.

Performance Review

System Sales	For the period ended 30 June		
	2018	2017	Change
	(in millions of TRY, unless otherwise indicated)		
Group System sales[1]			
Turkey	351.6	304.1	15.6%
Russia	152.7	90.5	68.8%
Azerbaijan & Georgia	6.1	3.9	56.8%
Total	**510.4**	**398.5**	**28.1%**
Group Like-for-like growth [2]			
System sales			
Turkey	10.9%	6.9%	
Russia (based on RUB)	18.0%	31.3%	

Store Count	As at 30 June					
	2018			2017		
	Corporate	Franchised	Total	Corporate	Franchised	Total
Turkey	145	376	521	135	355	490
Russia	101	41	142	88	8	96
Azerbaijan	-	6	6	-	4	4
Georgia	-	3	3	-	3	3
Total	**246**	**426**	**672**	**223**	**370**	**593**

The Group increased its system sales by 28.1% year-on-year, driven by a combination of like-for-like sales growth and store openings. Turkey and Russia's performance continues to be recognised within the Domino's system - both awarded the Gold Franny Award, the annual award that Domino's Pizza Inc. presents to its master franchisees for operational excellence, growth rate and increase in revenue.

The Turkish operations' system sales, which represent 69% of Group system sales, increased by 15.6%. This increase was mainly driven by like-for-like sales growth and store openings. The Turkish like-for-like growth was mainly due to the price increases that needed to be made due to the higher inflationary macro environment. Despite the macroeconomic headwinds, the timing of new store openings in Turkey is in line with the trend experienced in recent years. During the first half of 2017 Turkish store count increased by two against a 27 store increase (including Azerbaijan and Georgia) for the year as a whole. During the first half of 2018, Turkish store count has increased by eight (including Azerbaijan and Georgia), and the Group has a strong pipeline for the second half of the year, in line with achieving management's expectations for full year net store openings. Franchise-to-total store mix was consistent with recent periods at 73%.

The Russian operations' system sales, which represent 30% of Group system sales, increased by 68.8%. This increase was driven by like-for-like sales growth and store openings. The Russian operations achieved like-for-like sales growth of 18.0% for the period slightly above guidance, mainly driven by consumer traffic. The Group opened 21 stores in Russia during the period ended 30 June 2018 compared to 24 stores in the same period last year, and the strong pipeline is on course to deliver full year net store openings in line with management's expectations. Franchise-to-total store mix increased materially to 29% from 18% at the end of 2017, consistent with management's plan.

Delivery Channel Mix and Online like-for-like growth

The following table shows the Group's delivery system sales, analysed by ordering channel and by the Group's two largest countries in which it operates, as a percentage of delivery system sales for the periods ended 30 June 2018 and 2017:

		For the period ended 30 June					
		2018			**2017**		
		Turkey	**Russia**	**Total**	**Turkey**	**Russia**	**Total**
Store		43.2%	25.7%	38.6%	49.1%	37.2%	46.8%
Online	**Group's online platform**	29.6%	74.3%	42.5%	24.3%	62.8%	32.6%
	Aggregator	24.1%	-	16.8%	22.1%	-	17.1%
	Total online	53.7%	74.3%	59.3%	46.4%	62.8%	49.7%
Call centre		3.0%	-	2.1%	4.5%	-	3.5%
Total(7)		100%	100%	100%	100%	100%	100%

	For the period ended 30 June	
	2018	**2017**
Group online like-for-like growth(2)		
Online system sales(8)		
Turkey	42.8%	32.5%
Russia (based on RUB)	52.5%	85.1%

The Group's like-for-like growth has been mainly driven by the performance of its online ordering platforms. Online delivery system sales as a share of delivery system sales was 59.3% for the period. This represented a 9.6% increase compared to a year ago, to which the Group's revamped apps from 2017 contributed significantly.

In Turkey, online system sales like-for-like growth for the period was 42.8% as a result of which online delivery system sales as a share of delivery system sales reached 53.7% for the period, a 7.3% increase from a year ago, surpassing the 50% threshold for the first time.

In Russia, online system sales like-for-like growth for the period was 52.5% as a result of which online delivery system sales as a share of delivery system sales reached 74.3% for the period, a 11.5% increase from a year ago.

Financial Review

	For the period ended 30 June		
	2018	Restated[9] 2017	Change
	(in millions of TRY)		
Revenue	**380.2**	**287.7**	**32.2%**
Cost of sales	(251.8)	(184.7)	36.3%
Gross Profit	**128.5**	**103.0**	**24.8%**
General administrative expenses	(63.0)	(44.2)	42.5%
Marketing and selling expenses	(50.0)	(41.3)	21.1%
Other operating expenses, net	(0.6)	(0.9)	n/a
Operating profit	**14.9**	**16.5**	**(9.7)%**
Foreign exchange (loses)/gains	(8.6)	(7.3)	17.8%
Financial income	0.5	0.4	n/a
Financial expense	(16.8)	(10.0)	68%
Profit before income tax	**(10.0)**	**(0.3)**	
Tax expense	(0.3)	(3.4)	
Profit/(Loss) after tax	**(10.4)**	**(3.8)**	**n/a**
Turkey adjusted EBITDA[3]	**36.5**	**32.5**	**12.1%**
Russia adjusted EBITDA[3]	**7.4**	**4.9**	**49.2%**
Adjusted EBITDA[3]	**40.3**	**37.3**	**8.0%**
Adjusted net income[4]	**(9.1)**	**(2.4)**	**n/a**
Adjusted net debt[5]	**149.5**		

Revenue

DP Eurasia's revenue grew by 32.2% to TRY 380.2 million. Turkey segment revenue grew by 15.6% to TRY 228.3 million, while Russia segment revenue grew by 68.2% to reach TRY 151.9 million.

Adjusted EBITDA

Management believes that adjusted EBITDA is the most relevant indicator of the Group's profitability at this stage of its development.

DP Eurasia's adjusted EBITDA grew by 8.0% to TRY 40.3 million. Adjusted EBITDA for the Turkish segment was TRY 36.5 million, a year-on-year increase of 12.1%, and adjusted EBITDA for the Russian segment was TRY 7.4 million, a year-on-year increase of 49.2%. Additionally, costs relating to our Dutch corporate expenses (excluding those that relate to our initial public offering) reduced Adjusted EBITDA by TRY 3.5 million in the first half of 2018. The comparable adverse effect of this item was TRY 0.1 million in the first half of 2017 as the Group listed at the half year mark of 2017. The Group also increased its recruitment of corporate and franchise operation teams as planned in preparation for the next phase of growth in Russia.

In 2018, IFRS 15 became effective and the Group adopted the new standard using the full retrospective method and has restated comparatives for the 2017 financial year. The main accounting effect of IFRS 15 is that it required the Group to record opening fees from sub-franchisees over the life of the sub-franchisee contract whereas in the past the Group recorded these fees in the period that the sub-franchisee agreement was executed. This new standard had an adverse effect of TRY 2.7 million and TRY 2.0 million for the first half of 2018 and the first half of 2017, respectively, on the Group's adjusted EBITDA.

For the period ended 30 June 2018, the Group's adjusted EBITDA margin as a percent of system sales was 7.9% compared to 9.4% over the same period in 2017. The main reasons for the decrease was the adoption of IFRS 15, the increase in Dutch corporate expenses, corporate and franchise operations teams recruitment in Russia as well as the mix effect associated with the Russia segment becoming a larger part of the business. Adjusted EBITDA margin as a percent of system sales for the Turkish (including Azerbaijan and Georgia as the revenues from these franchisees are booked at the Turkish subsidiaries) and Russian segments were 10.2% (10.6% in 2017 H1) and 4.8% (5.6% in 2017 H1), respectively.

Adjusted Net Income

For the period ended 30 June 2018, adjusted net income was TRY (9.1) million. The deterioration in adjusted net income against the same period in 2017 was mainly due to the increase in financial expense with the higher borrowing costs in Turkey. However, with the recent refinancing in July of the Russia loans, the majority of the Group's debt is in Roubles at a fixed 9.7% interest rate making the Group less susceptible to Turkish interest rate fluctuations.

Capital expenditure and Cash conversion

The Group incurred TRY 33.5 million of capital expenditure. Of this amount, TRY 21.0 million was spent in Turkey and TRY 12.5 million was spent in Russia. The main elements of capital expenditure in Turkey were investments into the online ordering platforms, including the project to unify the online ordering back-end systems across the Group, store conversions to the Kaizen format, and GPS Tracker hardware installations; whereas in Russia, the Group invested primarily in corporate store openings, information technology, and the new Moscow headquarters.

Cash conversion (defined as (Adjusted EBITDA - Capital expenditure)/Adjusted EBITDA) for the period was 16.9% for the Group and 42.5% for the Turkey segment. The Russia segment had negative cash conversion as it is in a period of rapid expansion relative to its size.

Adjusted net debt and Leverage

The Group's adjusted net debt as at 30 June 2018 was TRY 149.5 million, which corresponded to a leverage ratio (defined as adjusted net debt/ Last twelve months' adjusted EBITDA) of 1.6x.

In July 2018, the Group refinanced its Euro denominated loans in Russia with a Rouble denominated loan. The RUB 2.2 billion facility has a 76 month term with a 12 month grace period and carries an interest rate of 9.7%. The loan carries a RUB 420 million cash deposit condition that was made as collateral by the Russian operating company. As a result of this transaction, the Group no longer carries an open hard currency position with respect to its net debt.

Board compliance statement

The board of DP Eurasia N.V. declares that, to the best of their knowledge, the attached condensed combined and consolidated financial statements give a true and fair view of the assets, liabilities, financial position and the result of DP Eurasia N.V. and its subsidiaries included in the attached condensed combined and consolidated financial statements and the interim report includes a fair review of the information required pursuant to section 5:25d, subsections 8 and 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

Amsterdam, 11 September 2018

The Directors of DP Eurasia N.V. as at the date of this announcement are as set out below:

Peter Williams*
Aslan Saranga, Chief Executive Officer
Frederieke Slot, Company Secretary
Seymur Tarı*
Izzet Talu*
Aksel Şahin*
Thomas Singer*

* Non-executive Directors

Auditor's Involvement

This Interim Report for the six months ended 30 June 2018, and the attached condensed consolidated financial statements included herein have been reviewed but not audited by an external auditor.

Forward looking statements

This press release includes forward-looking statements which involve known and unknown risks and uncertainties, many of which are beyond the Group's control and all of which are based on the Directors' current beliefs and expectations about future events. They appear in a number of places throughout this press release and include all matters that are not historical facts and include predictions, statements regarding the intentions, beliefs or current expectations of the Directors or the Group concerning, among other things, the results of operations, financial condition, prospects, growth and strategies of the Group and the industry in which it operates.

No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements.

Forward-looking statements contained in this press release speak only as of the date of this press release. The Company and the Directors expressly disclaim any obligation or undertaking to update these forward-looking statements contained in this press release to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based.

Appendices

Exchange Rates

	Period ended 30 June			
	2018		2017	
Currency	Period End	Period Average	Period End	Period Average
EUR/TRY	5.309	4.942	4.003	3.931
RUB/TRY	0.072	0.068	0.059	0.062
EUR/RUB	72.992	71.822	67.499	62.719

Delivery – Take away / Eat in mix

	For the period ended 30 June					
	2018			2017		
	Turkey	Russia	Total	Turkey	Russia	Total
Delivery	63.9%	62.3%	63.3%	64.3%	61.7%	63.6%
Take away / Eat in	36.1%	37.7%	36.7%	35.7%	38.3%	36.4%
Total[(1)]	100%	100%	100%	100%	100%	100%

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIODS ENDED 30 JUNE 2018 AND 30 JUNE 2017
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

	Notes	30 June 2018	Restated 30 June 2017*
INCOME OR LOSS			
Revenue	4	380,215	287,683
Cost of sales	4	(251,751)	(184,718)
GROSS PROFIT	4	**128,464**	**102,965**
General administrative expenses		(62,986)	(44,219)
Marketing and selling expenses		(50,002)	(41,310)
Other operating expense		(612)	(887)
OPERATING PROFIT		**14,864**	**16,549**
Foreign exchange losses	6	(8,601)	(7,336)
Financial income	6	540	409
Financial expense	6	(16,849)	(9,982)
(LOSS)/ PROFIT BEFORE INCOME TAX		**(10,046)**	**(360)**
Tax expense		**(337)**	**(3,418)**
Income tax expense		(3,297)	(3,720)
Deferred tax income		2,960	302
LOSS FOR THE PERIOD		**(10,383)**	**(3,778)**
OTHER COMPREHENSIVE INCOME/ (EXPENSE)		**3,244**	**(1,795)**
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations, net of tax		197	26
Items that may be reclassified to profit or loss			
- Currency translation differences		3,047	(1,821)
TOTAL COMPREHENSIVE LOSS		**(7,139)**	**(5,573)**
Loss per share	7	(0.07)	(0.83)

(*) Prior year comparatives are restated following the implementation of IFRS 15. Please refer to Note 2.3 for further details.

The accompanying notes on pages 6 till 27 form an integral part of these condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AT 30 JUNE 2018 AND 31 DECEMBER 2017

ASSETS	Notes	30 June 2018	Restated 31 December 2017*
Property and equipment	8	135,932	128,396
Intangible assets	9	46,164	40,331
Goodwill	10	44,902	44,209
Trade receivables	12	13,438	14,949
Deferred tax assets	20	11,204	7,943
Other non-current assets	15	41,081	34,314
Non-current assets		**292,721**	**270,142**
Cash and cash equivalents	11	87,052	76,128
Trade receivables	12	69,762	65,236
Due from related parties		17	15
Inventories	14	66,005	56,259
Other current assets	15	34,116	28,113
Current assets		**256,952**	**225,751**
TOTAL ASSETS		**549,673**	**495,893**

(*) Prior year comparatives are restated following the implementation of IFRS 15. Please refer to Note 2.3 for further details.

LIABILITIES	Notes	30 June 2018	Restated 31 December 2017(*)
EQUITY			
Paid in share capital	19	36,353	36,353
Share premium		119,286	119,286
Contribution from shareholders	21	19,251	18,183
Other comprehensive income/expense that will not be reclassified to profit or loss			
- *Remeasurements of post-employment benefit obligations*		(1,996)	(2,193)
Other comprehensive income/expense that may be reclassified to profit or loss			
- *Currency translation differences*		(7,946)	(10,993)
Retained earnings		(34,006)	(23,623)
Total Equity		**130,942**	**137,013**
Financial liabilities	16	52,882	85,753
Deferred tax liability	20	1,358	2,014
Long term provisions for employee benefits		1,515	1,374
Other non-current liabilities	15	25,621	22,442
Non - current liabilities		**81,376**	**111,583**
Financial liabilities	16	230,927	142,152
Trade payables		57,643	60,070
Current income tax liabilities		2,136	2,181
Provisions	17	6,572	7,692
Other current liabilities	15	40,077	35,202
Current liabilities		**337,355**	**247,297**
Liabilities		**418,731**	**358,880**
TOTAL EQUITY AND LIABILITIES		**549,673**	**495,893**

(*) Prior year comparatives are restated following the implementation of IFRS 15. Please refer to Note 2.3 for further details.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS ENDED 30 JUNE 2018 AND 30 JUNE 2017

	Share capital	Share premium	Contribution from shareholders	Remeasurement of post-employment benefit obligations	Currency translation differences	Retained earnings	Total Equity
Previously reported	**120**	**63,757**	**16,666**	**(1,927)**	**(8,081)**	**(11,062)**	**59,473**
Effects of restatement (*)	-	-	**-**	**-**	(92)	(12,653)	**(12,745)**
Balances at 1 January 2017	**120**	**63,757**	**16,666**	**(1,927)**	**(8,173)**	**(23,715)**	**46,728**
Total loss for the period	-	-	-	-	-	(3,778)	**(3,778)**
Remeasurements of post-employment benefit obligations, net	-	-	-	26	-	-	**26**
Total comprehensive loss	-	-	-	*26*	-	*(3,778)*	***(3,778)***
Currency translation adjustments	-	-	-	-	(1,821)	-	**(1,821)**
Share-based incentive plans (Note 21)	-	-	132	-	-	-	**132**
Transaction costs IPO	-	(2,370)	-	-	-	-	**(2,370)**
Transfers	961	(961)	-	-	-	-	**-**
Balances at 30 June 2017	**1,081**	**60,426**	**16,798**	**(1,901)**	**(9,994)**	**(27,493)**	**38,917**
Balances at 1 January 2018	**36,353**	**119,286**	**18,183**	**(2,193)**	**(10,993)**	**(23,623)**	**137,013**
Total loss for the period	-	-	-	-	-	(10,383)	**(10,383)**
Remeasurements of post-employment benefit obligations, net	-	-	-	197	-	-	**197**
Total comprehensive loss	-	-	-	*197*	-	*(10,383)*	***(10,186)***
Currency translation adjustments	-	-	-	-	3,047	-	**3,047**
Share-based incentive plans (Note 21)	-	-	1,068	-	-	-	**1,068**
Transfers	-	-	-	-	-	-	**-**
Balances at 30 June 2018	**36,353**	**119,286**	**19,251**	**(1,996)**	**(7,946)**	**(34,006)**	**130,942**

(*) Please refer to Note 2.3

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED 30 JUNE 2018 AND 30 JUNE 2017

	Notes	30 June 2018	Restated 30 June 2017
(Loss) / profit before income tax		(10,046)	(360)
Adjustments for			
Depreciation	8	16,749	13,661
Amortisation	9	7,422	5,611
(Gains) on sale of property and equipment		(170)	(52)
Provision for performance bonus	17	4,456	2,898
Non-cash employee benefits expense - share based payments		1,068	132
Interest income	6	(540)	(409)
Interest expense	6	16,087	9,701
Unrealised foreign exchange (losses)/gains on borrowings		7,884	9,352
Changes in trade receivables		(3,015)	8,725
Changes in other receivables and assets		(12,772)	(3,022)
Changes in inventories		(9,746)	(6,683)
Changes in trade payables		(2,427)	2,297
Changes in other payables and liabilities		6,406	2,249
Taxes paid		(3,342)	(6,037)
Performance bonuses paid		(5,576)	(3,661)
Cash flows generated from/ (used in) operating activities		**12,438**	**34,402**
Payments for property and equipment		(18,330)	(22,038)
Payments for intangible assets	9	(12,385)	(5,817)
Proceeds from sale of tangible and intangible assets		4,562	3,282
Cash flows used in investing activities		**(26,153)**	**(24,573)**
Interest paid		(14,460)	(6,516)
Interest received		540	409
Transaction costs	19	-	(2,370)
Proceeds from borrowings		529,270	44,538
Repayment of borrowings		(497,889)	(42,860)
Financial lease payments, net		(5,063)	(719)
Cash flows (used in)/generated from financing activities		**12,398**	**(7,518)**
Effect of currency translation differences		12,241	(218)
Net increase in cash and cash equivalents		**10,924**	**2,093**
Cash and cash equivalents at the beginning of the period	**11**	**76,128**	**19,502**
Cash and cash equivalents at the end of the period	**11**	**87,052**	**21,595**

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

NOTE 1 - GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES

DP Eurasia N.V. (the "Company"), a public limited company, having its statutory seat in Amsterdam, the Netherlands, was incorporated under the laws of the Netherlands on 18 October 2016. The acquisition occurred on 18 October 2016 when the Company acquired Fidesrus and Fides Foods and their subsidiaries and from this point forward consolidated Group was formed. This was a transaction under common control.

The condensed consolidated financial statements of DP Eurasia N.V. have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

The Company's registered address is: Herikerbergweg 238, Amsterdam, the Netherlands.

The Company and its subsidiaries (together referred as the "Group") operate company and franchise-owned stores in Turkey and the Russian Federation, including provision of technical support, control and consultancy services to the franchisees.

As at 30 June 2018, the Group operates in 672 stores (426 franchise stores including 6 in Azerbaijan and 3 in Georgia, 246 company-owned stores) (31 December 2017: 643 (402 franchise stores including 5 in Azerbaijan and 3 in Georgia, 241 company-owned stores)).

Subsidiaries

The Company has a total of five fully-owned subsidiaries. The entities included in the scope of the condensed consolidated financial information and nature of their business is as follows:

Subsidiaries	Effective ownership (%)	Registered country	Nature of business
Fides Grup Gıda Restaurant İşletmeciliği A.Ş. ("Fides Turkey")	100.00	Turkey	Food delivery
Pizza Restaurantları A.Ş. ("Domino's Turkey")	100.00	Turkey	Food delivery
OOO Fides ("Fides Russia")	100.00	Russia	Food delivery
OOO Pizza Restaurants ("Domino's Russia")	100.00	Russia	Food delivery
Fidesrus B.V. ("Fidesrus")	100.00	The Netherlands	Investment company
Fides Food Systems B.V. ("Fides Food")	100.00	The Netherlands	Investment company

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL INFORMATION

2.1 Financial reporting standards as adopted by European Union

These condensed consolidated interim financial statements for the period ended 30 June 2018 have been prepared in accordance with Accounting Standard IAS 34 Interim Financial Reporting ("IAS 34").

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial statement. Accordingly, this report is to be read in conjunction with the condensed consolidated financial statements prepared for the year ended 31 December 2017.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the effect of the adoption of new and amended standards as set out in Note 2.3.

2.2 New and amended international financial reporting standards as adopted by European Union

New and amended standards adopted by the Group, which are effective for the financial statements as at 30 June 2018

A number of new or amended standards became applicable for the current reporting period and the Group had to change its accounting policies and make retrospective adjustments as a result of adopting the following standards:

- IFRS 9 Financial Instruments, and
- IFRS 15 Revenue from Contracts with Customers.

The impact of the adoption of these standards and the new accounting policies are disclosed in Note 2.3 below. The other standards did not have any impact on Group's accounting policies and did not require retrospective adjustments.

- Amendment to IFRS 2,"Share based payments"; on clarifying how to account for certain types of share-based payment transactions; effective for annual periods beginning on or after 1 January 2018. The amendment does not have an impact on the financial position or performance of the Group.

The new standards, amendments and interpretations, which are issued but not effective for the financial statements as at 30 June 2018:

- Amendment to IFRS 9, 'Financial instruments'; effective from annual periods beginning on or after 1 January 2019. The Group is in the process of assessing the impact of standard on financial position of the Group.

- IFRS 16, "Leases"; effective from annual periods beginning on or after 1 January 2019.IFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change. The standard will affect primarily the accounting for the Group's operating leases. On adoption of IFRS 16 the Group will recognise within the balance sheet a right of use asset and lease liability for all applicable leases. Within the income statement, rent expense will be replaced by depreciation and interest expense.

  The Group operates as intermediate lessor for a significant proportion of its leases. The Group will evaluate and classify these sub-leases as operating lease and financial lease as required in IFRS 16. For the subleases classified as financial leasing under IFRS 16 which covers substantially the same term as the head lease, the right of use asset from head-lease will be derecognised and a lease receivable equal to the net investment in the sub-lease will be recognised. The difference between lease receivable and right of use of asset will be recognized in the income statement. Where the sublease term does not cover substantially the same term with the head lease, but the sub-lease has a renewal options that is likely to be used which results in the terms being substantially the same, then the same treatment will be applied to such sub-lease agreements. The accounting treatment are not going to change for the subleases, which are classified as operational lease as required under IFRS 16.

  The full impact of IFRS 16 is currently under review, including understanding the practical application of the principles of the standard. It is therefore not practical to provide a reasonable estimate of the financial effect until this review is complete.

2.3 Impact of adoption of new standards

IFRS 9 Financial Instruments - Impact of adoption

The Group has applied IFRS 9 "Financial instruments", which has replaced IAS 39 on the transition date, 1 January 2018. The amendments include the classification and measurement of financial assets and liabilities and the expected credit risk model, which will replace an incurred credit risk model. Effect of transition is accounted for based on the simplified approach. However, the cumulative effect related to the transition of IFRS 9 in retained earnings on the first application date is nil and therefore, prior year financial statements are not restated in respect of IFRS 9.

IFRS 15 Revenue from Contracts with Customers - Impact of adoption

The Group has adopted IFRS 15 Revenue from Contracts with Customers from 1 January 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

In accordance with the transition provisions in IFRS 15, the Group has adopted the new rules using the full retrospective method and has restated comparatives for the 2017 financial year. In summary, the following adjustments were made to the amounts recognised in the balance sheet at the date of initial application (1 January 2017). Full impact of the adoption is disclosed in the table in this note.

(i) Accounting for franchise fees

The Group receives a franchise fee from each franchise that joins the Group and operates under the name of Domino's Pizza. These revenues were previously recognised when a franchisee opened a store for trading. However, the performance obligation of the Group is related with the provision of a service during the agreement. Therefore these franchise fee revenues are now deferred during the period of the franchise agreement with the adoption of IFRS 15 and the effect of this transition is included in the other and non-current liabilities in the balance sheet as at 1 January 2017.

(ii) Accounting for costs to fulfil a contract

The Group incurs certain costs with DP International related to set up of each franchise contract and IT systems used for recording of franchise revenue. These costs were expensed as they did not qualify for recognition as an asset under any of the other accounting standards. However, the costs relate directly to the franchise contract, generate resources used in satisfying the contract and are expected to be recovered. They are therefore now capitalised as costs to fulfil a contract following the adoption of IFRS 15 and will be expensed over the life of the contract and included in other assets in the balance sheet on 1 January 2017.

	30 June 2017	IFRS 15 effect	*Restated* 30 June 2017
INCOME OR LOSS			
Revenue	289,818	(2,135)	287,683
Cost of sales	(184,718)	-	(184,718)
GROSS PROFIT	**105,100**	(2,135)	**102,965**
General administrative expenses	(44,314)	95	(44,219)
Marketing and selling expenses	(41,310)	-	(41,310)
Other operating expense	(887)	-	(887)
OPERATING PROFIT	**18,589**	**(2,040)**	**16,549**
Foreign exchange losses	(7,336)	-	(7,336)
Financial income	409	-	409
Financial expense	(9,982)	-	(9,982)
(LOSS)/ PROFIT BEFORE INCOME TAX	**1,680**	**(2,040)**	**(360)**
Tax expense	**(3,800)**	**382**	**(3,418)**
Income tax expense	(3,720)	-	(3,720)
Deferred tax income	(80)	382	302
LOSS FOR THE PERIOD	**(2,120)**	**(1,658)**	**(3,778)**
OTHER COMPREHENSIVE INCOME/ (EXPENSE)	**(1,789)**	**(6)**	**(1,795)**
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations, net of tax	26	-	26
Items that may be reclassified to profit or loss			
- Currency translation differences	(1,815)	(6)	(1,821)
TOTAL COMPREHENSIVE LOSS	**(3,909)**	**(1,664)**	**(5,573)**
Loss per share	(0.47)	(0.36)	(0.83)

ASSETS	31 December 2017	IFRS 15 effect	*Restated* 31 December 2017
Property and equipment	128,396	-	128,396
Intangible assets	40,331	-	40,331
Goodwill	44,209	-	44,209
Trade receivables	14,949	-	14,949
Deferred tax assets	7,883	60	7,943
Other non-current assets	31,954	2,360	34,314
Non-current assets	**267,722**	**2,420**	**270,142**
Cash and cash equivalents	76,128	-	76,128
Trade receivables	65,236	-	65,236
Due from related parties	15	-	15
Inventories	56,259	-	56,259
Other current assets	27,852	261	28,113
Current assets	**225,490**	**261**	**225,751**
TOTAL ASSETS	**493,212**	**2,681**	**495,893**
EQUITY			
Paid in share capital	36,353	-	36,353
Share premium	119,286	-	119,286
Contribution from shareholders	18,183	-	18,183
Other comprehensive income/expense that will not be reclassified to profit or loss	(2,193)	-	(2,193)
Other comprehensive income/expense that may be reclassified to profit or loss	(10,802)	(191)	(10,993)
Retained earnings	(6,227)	(17,396)	(23,623)
Total Equity	**154,600**	**(17,587)**	**137,013**
Financial liabilities	85,753	-	85,753
Deferred tax liability	6,350	(4,336)	2,014
Long term provisions for employee benefits	1,374	-	1,374
Other non-current liabilities	114	22,328	22,442
Non - current liabilities	**93,591**	**17,992**	**111,583**
Financial liabilities	142,152	-	142,152
Trade payables	60,070	-	60,070
Current income tax liabilities	2,181	-	2,181
Provisions	7,692	-	7,692
Other current liabilities	32,926	2,276	35,202
Current liabilities	**245,021**	**2,276**	**247,297**
LIABILITIES	**493,212**	**2,681**	**495,893**

NOTE 3 - SEGMENT REPORTING

The business operations of the Group are organized and managed with respect to geographical positions of its operations. The information regarding the business activities of the Group as of 30 June 2018, 31 December 2017 and 30 June 2017 comprise the performance and the management of Turkish and Russian operations and Head Office.

The segment analysis for the period ended 30 June 2018 and June 2017 are as follows:

1 January-30 June 2018	**Turkey**	**Russia**	**Dutch Corp. Expenses**	**Elimination**	**Total**
Corporate revenue	99,190	123,076	-	-	222,266
Franchise revenue and royalty revenue obtained from franchisees	121,462	13,503	-	-	134,965
Other revenue	7,637	15,347	-	-	22,984
Total revenue	**228,289**	**151,926**	-	-	**380,215**
- ***At a point in time***	*227,176*	*150,342*	-	-	***377,518***
- ***Over time***	*1,113*	*1,584*	-	-	***2,697***
Operating profit	22,061	(3,599)	(3,598)	-	14,864
Capital expenditures	20,956	12,538	-	-	33,494
Depreciation and amortization expenses	(14,040)	(10,131)	-	-	(24,171)

30 June 2018	**Turkey**	**Russia**	**Dutch Corp. Expenses**	**Elimination**	**Total**
Financial liabilities					
- *TRY*	*86,689*	-	-	-	*86,689*
- *EUR*	*27,420*	*154,988*	-	-	*182,408*
- *RUB*	-	*14,712*	-	-	*14,712*
Total	**114,109**	**169,700**	-	-	**283,809**

1 January-30 June 2017	**Turkey**	**Russia**	**Dutch Corp. Expenses**	**Elimination**	**Total**
Corporate revenue	88,796	85,052	-	-	173,848
Franchise revenue and royalty revenue obtained from franchisees	100,847	2,581	-	-	103,428
Other revenue	7,692	2,715	-	-	10,407
Total revenue	**197,335**	**90,348**	-	-	**287,683**
- ***At a point in time***	*196,381*	*90,168*	**-**	**-**	***286,549***
- ***Over time***	*954*	*180*	-	-	***1,134***
Operating profit	18,878	(894)	(1,435)	-	16,549
Capital expenditures	11,011	19,031	-	-	30,042
Depreciation and amortization Expenses	(13,497)	(5,775)	-	-	(19,272)

30 June 2017	**Turkey**	**Russia**	**Dutch Corp. Expenses**	**Elimination**	**Total**
Financial liabilities					
- *TRY*	*60,386*	-	-	-	*60,386*
- *EUR*	*32,972*	*114,073*	-	-	*147,045*
- *RUB*	-	*10,052*	-	-	*10,052*
Total	**93,358**	**124,125**	-	-	**217,483**

The reconciliation of adjusted EBITDAs as of 30 June 2018 and June 2017 is as follows:

Turkey	**30 June 2018**	**30 June 2017**
Revenue	228,289	197,335
Operating profit	22,061	18,878
Depreciation and amortisation	14,040	13,497
EBITDA	**36,101**	**32,375**
Non-recurring and non-trade (income)/expenses per Group Management (*)		
One off non-trading costs	*105*	*-*
Share-based incentives	*250*	*132*
Adjusted EBITDA (*)	***36,456***	***32,507***

Russia	**30 June 2018**	**30 June 2017**
Revenue	151,926	90,348
Operating loss	(3,599)	(894)
Depreciation and amortisation	10,131	5,775
EBITDA	**6,532**	**4,881**
Non-recurring and non-trade (income)/expenses per Group Management (*)		
IPO Costs (recorded through income statement)	*-*	*45*
Share-based incentives	*818*	*-*
Adjusted EBITDA (*)	***7,350***	***4,926***

(*) EBITDA, adjusted EBITDA and non-recurring and non-trade income/expenses are not defined by IFRS. These items determined by the principles defined by the Group management comprises incomes/expenses which are assumed by the Group management that are not part of the normal course of business and are non-recurring items. These items which are not defined by IFRS are disclosed by the Group management separately for a better understanding and measurement of the sustainable performance of the Group.

Dutch Corporate Expenses	30 June 2018	30 June 2017
Operating loss (*)	(3,598)	(1,435)
EBITDA	**(3,598)**	**(1,435)**

(*) Operating loss includes general administrative expenses of Dutch company.

Non-recurring and non-trade (income)/expenses per Group Management (*)		
One-off non-trading costs	*110*	*-*
IPO Costs (recorded through income statement)	*-*	*1,339*
Adjusted EBITDA (*)	***(3,488)***	***(96)***

(*) EBITDA, adjusted EBITDA and non-recurring and non-trade income/expenses are not defined by IFRS. These items determined by the principles defined by the Group management comprises incomes/expenses which are assumed by the Group management that are not part of the normal course of business and are non-recurring items. These items which are not defined by IFRS are disclosed by the Group management separately for a better understanding and measurement of the sustainable performance of the Group.

The reconciliation of adjusted net debt as of 30 June 2018 and 31 December 2017 is as follows:

	30 June 2018	31 December 2017
Short term bank borrowings	224,401	136,931
Short-term portions of long-term financial lease borrowings	6,526	5,221
Long-term bank borrowings	42,028	74,545
Long-term financial lease borrowings	10,854	11,208
Total borrowings	**283,809**	**227,905**
Cash and cash equivalents	(87,052)	(76,128)
Net debt	**196,757**	**151,777**
Non-recurring and non-trade (income)/expenses per Group Management (**)		
Long term deposit for loan guarantee	(33,187)	*(28,217)*
Adjusting delay in collection/payment day coinciding on a weekend	(14,052)	*(16,835)*
Adjusted net debt (**)	**149,518**	***106,725***

(**) Net debt, adjusted net debt and non-recurring items are not defined by IFRS. These items determined by the principles defined by the Group management comprises items which are assumed by the Group management that are not part of the normal course of business and are non-recurring items. These items which are not defined by IFRS are disclosed by the Group management separately for a better understanding and measurement of the sustainable performance of the Group.

The reconciliation of adjusted net income as of 30 June 2018 and 2017 is as follows:

	30 June 2018	30 June 2017
Loss for the period as reported	(10,383)	(3,778)
Non-recurring and non-trade (income)/expenses per Group Management [(*)]		
IPO Costs	*215*	*1,384*
Share-based incentives	*1,068*	*132*
Tax effect (-)	*-*	*(164)*
Adjusted net loss for the period [(*)]	***(9,100)***	***(2,426)***

(*) Adjusted net income and non-recurring and non-trade income/expenses are not defined by IFRS. These items determined by the principles defined by the Group management comprises incomes/expenses which are assumed by the Group management that are not part of the normal course of business and are non-recurring items. These items which are not defined by IFRS are disclosed by the Group management separately for a better understanding and measurement of the sustainable performance of the Group.

NOTE 4 - REVENUE AND COST OF SALES

	30 June 2018	30 June 2017
Corporate revenue	222,266	173,848
Franchise revenue and royalty revenue obtained from franchisees	134,965	103,428
Other revenue	22,984	10,407
Revenue	**380,215**	**287,683**
Cost of sales	(251,751)	(184,718)
Gross profit	**128,464**	**102,965**

NOTE 5 - EXPENSES BY NATURE

	30 June 2018	30 June 2017
Personnel expenses	(90,643)	(67,810)
Depreciation and amortization expenses	(24,171)	(19,272)
	(114,814)	**(87,082)**

NOTE 6 - FOREIGN EXCHANGE LOSSES, FINANCIAL INCOME AND EXPENSES

Foreign exchange losses	**30 June 2018**	**30 June 2017**
Foreign exchange loss	(8,601)	(7,336)
	(8,601)	**(7,336)**

Financial income		
Interest income	540	409
	540	**409**

Financial expense		
Interest expense	(16,087)	(9,701)
Other	(762)	(281)
	(16,849)	**(9,982)**

NOTE 7 - EARNINGS PER SHARE

	30 June 2018	**30 June 2017**
Average number of shares existing during the period	145,372,414	4,532,740
Net loss for the period attributable to equity holders of the parent	(10,383)	(3,778)
Loss per share	**(0.07)**	**(0.83)**

The reconciliation of adjusted earnings per share as of 30 June 2018 and 2017 is as follows:

	30 June 2018	**30 June 2017**
Average number of shares existing during the period	145,372,414	4,532,740
Net (loss)/profit for the period attributable to equity holders of the parent	(10,383)	(3,778)
Non-recurring and non-trade expenses per Group Management (*)		
IPO Costs	*215*	*1,384*
Share-based incentives	*1,068*	*132*
Tax effect (-)	-	*(164)*
Adjusted net (loss)/profit for the period attributable to equity holders of the parent	(9,100)	(2,426)
Adjusted Earnings per share (*)	***(0.06)***	**(0.54)**

(*) Adjusted earnings per share non-recurring and non-trade income/expenses are not defined by IFRS. These items determined by the principles defined by the Group management comprises incomes/expenses which are assumed by the Group management that are not part of the normal course of business and are non-recurring items. These items which are not defined by IFRS are disclosed by the Group management separately for a better understanding and measurement of the sustainable performance of the Group.

There are no shares or options with a dilutive effect and hence the basic and diluted earnings per share are the same.

The earning per share presented for the period ended 30 June 2018 is based on the issued share capital of DP Eurasia N.V. at the date of its incorporation.

NOTE 8 - PROPERTY AND EQUIPMENT

	1 January 2018	Additions	Disposals	Transfers	Currency translation adjustments	30 June 2018
Cost						
Machinery and equipment	42,094	5,147	(2,589)	96	3,998	48,746
Motor vehicles	26,277	2,779	(405)	-	2,063	30,714
Furniture and fixtures	58,646	3,209	(4,744)	1,475	204	58,790
Leasehold improvements	77,499	5,157	(4,186)	183	4,079	82,732
Construction in progress	10,211	4,817	(8)	(2,137)	453	13,336
	214,727	**21,109**	**(11,932)**	**(383)**	**10,797**	**234,318**
Accumulated depreciation						
Machinery and equipment	(11,494)	(3,480)	938	-	(1,070)	(15,106)
Motor vehicles	(11,042)	(3,676)	393	-	(728)	(15,053)
Furniture and fixtures	(26,953)	(3,374)	3,812	-	(58)	(26,573)
Leasehold improvements	(36,842)	(6,219)	2,497	-	(1,090)	(41,654)
	(86,331)	**(16,749)**	**7,640**	**-**	**(2,946)**	**(98,386)**
Net book value	**128,396**					**135,932**

For the period ended 30 June 2018, depreciation expense of TRY13,746 has been charged in cost of sales and TRY3,003 has been charged in general administrative expenses.

	1 January 2017	Additions	Disposals	Transfers	Currency translation adjustments	30 June 2017
Cost						
Machinery and equipment	25,517	5,038	(456)	2,280	215	32,594
Motor vehicles	15,522	5,052	(459)	-	197	20,312
Furniture and fixtures	50,942	3,659	(1,502)	115	20	53,234
Leasehold improvements	58,187	7,771	(2,009)	1,530	177	65,656
Construction in progress	8,738	2,705	(1,025)	(4,071)	176	6,523
	158,906	**24,225**	**(5,451)**	**(146)**	**785**	**178,319**
Accumulated depreciation						
Machinery and equipment	(6,070)	(2,205)	82	-	(21)	(8,214)
Motor vehicles	(5,734)	(2,647)	459	-	(18)	(7,940)
Furniture and fixtures	(21,998)	(3,430)	699	-	(2)	(24,731)
Leasehold improvements	(27,256)	(5,379)	999	-	(11)	(31,647)
	(61,058)	**(13,661)**	**2,239**	**-**	**(52)**	**(72,532)**
Net book value	**97,848**					**105,787**

For the period ended 30 June 2017, depreciation expense of TRY 10,455 has been charged in cost of sales and TRY 3,206 has been charged in general administrative expenses.

NOTE 9 - INTANGIBLE ASSETS

	1 January 2018	Additions	Disposals	Currency translation adjustments	Transfers	30 June 2018
Cost						
Key money	8,755	6,291	(45)	97	-	15,098
Computer software	31,502	6,094	(146)	678	383	38,511
Franchise contracts	48,485	-	-	-	-	48,485
	88,742	**12,385**	**(191)**	**775**	**383**	**102,094**
Accumulated amortization						
Key money	(2,001)	(1,124)	45	-	-	(3,080)
Computer software	(10,855)	(3,874)	46	(188)	-	(14,871)
Franchise contracts	(35,555)	(2,424)	-	-	-	(37,979)
	(48,411)	**(7,422)**	**91**	**(188)**	**-**	**(55,930)**
Net book value	**40,331**					**46,164**

For the period ended 30 June 2018, amortisation expense of TRY 4,229 has been charged in cost of sales and TRY 3,193 has been charged in general administrative expenses.

	1 January 2017	Additions	Disposals	Currency translation adjustments	Transfers	30 June 2017
Cost						
Key money	2,734	801	(135)	(10)	38	**3,428**
Computer software	19,503	5,016	(7)	(177)	108	**24,443**
Franchise contracts	48,485	-	-	-	-	**48,485**
	70,722	**5,817**	**(142)**	**(187)**	**146**	**76,356**
Accumulated amortization						
Key money	(1,320)	(381)	119	-	-	(1,582)
Computer software	(4,652)	(2,806)	5	119	-	(7,334)
Franchise contracts	(30,707)	(2,424)	-	-	-	(33,131)
	(36,679)	**(5,611)**	**124**	**119**	**-**	**(42,047)**
Net book value	**34,043**					**34,309**

For the period ended 30 June 2017, amortisation expense of TRY 3,232 has been charged in cost of sales and TRY 2,379 has been charged in general administrative expenses.

NOTE 10 - GOODWILL

The goodwill balance amounts to TRY 44,902 (including the currency translation adjustment amounting to TRY 693) in the condensed consolidated financial information as of 30 June 2018 (31 December 2017: TRY 44,209).

Acquisition of Pizza Restaurantları A.Ş.

On 1 September 2010, the Group acquired the shares of Pizza Restaurantları A.Ş., which operates in pizza delivery business with a network of company and franchise-owned stores in Turkey. Following the acquisition, goodwill amounting to TRY 37,961 was recognized in the condensed consolidated financial information based acquisition accounting applied under IFRS 3 "Business Combinations".

Acquisition of Russian Operations

On 15 February 2013, the Group acquired the fixed assets of a pizza network operating in Moscow, Russia. Although the Group did not acquire shares of a company, the acquisition is treated as a business combination in accordance with IFRS 3 "Business Combinations" as the inputs and operational processes that have the ability to create outputs, have been transferred to the Group.

TRY 6,941 (including currency translation adjustment amounting to TRY 693) of the goodwill recognised in the condensed consolidated financial information has arisen from acquisition of the Russian pizza delivery network. The access to the related market and creation of synergy with the wider Group are the main reasons behind the recognised goodwill.

As there were no indicators for impairment, the management of the Group has not updated any of the other impairment calculations performed as at 31 December 2017.

NOTE 11 - CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents as of 30 June 2018 and 31 December 2017 are as follows:

	30 June 2018	31 December 2017
Cash in hand	1,250	1,365
Cash at bank	75,988	63,438
Credit card receivables	9,814	11,325
	87,052	**76,128**

Maturity term of credit card receivables are 30 days on average (31 December 2017: 30 days).

NOTE 12 - TRADE RECEIVABLES

a) Short-term trade receivables

	30 June 2018	31 December 2017
Trade receivables	52,277	48,392
Post-dated cheques	17,577	16,936
Receivables from related parties	17	15
	69,871	**65,343**
Less: Doubtful trade receivable	(92)	(92)
Short-term trade and other receivables, net	**69,779**	**65,251**

The average collection period for trade receivables is between 30 and 60 days (2017: 30 and 60 days).

b) Long-term trade receivables

	30 June 2018	31 December 2017
Post-dated cheques	13,438	14,949
	13,438	**14,949**

NOTE 13 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The details of transactions with related parties as of 30 June 2018 and 30 June 2017 is as follows:

Key management compensation

	30 June 2018	30 June 2017
Short-term employee benefits	8,111	5,369
Share-based incentives (Note 21)	1,068	132
	9,179	**5,501**

NOTE 14 - INVENTORIES

	30 June 2018	31 December 2017
Raw materials	58,379	47,128
Trade goods and other inventory	7,626	9,131
	66,005	**56,259**

NOTE 15 - OTHER ASSETS AND LIABILITIES

Other current assets	**30 June 2018**	**31 December 2017**
Advance payments to suppliers	19,810	15,534
Prepaid taxes and VAT receivable	2,935	2,951
Prepaid rent expenses	2,705	3,804
Prepaid marketing expenses	2,364	951
Prepaid fee expenses	537	262
Other	5,765	4,611
Total	**34,116**	**28,113**

Other non-current assets	**30 June 2018**	**31 December 2017**
Long term deposits for loan guarantees	33,187	28,217
Deposits given	5,372	3,737
Prepaid fee expenses	2,522	2,360
Total	**41,081**	**34,314**

Long term deposits for loan guarantees are provided as collateral to Denizbank AG by the Group’s Turkish business for term loans made to the Group’s Russian business. Maturity date of long term deposit is 11 February 2019 and annual interest rate is 3%.

The principal of EUR 6,249 (TRY 33,187) is blocked until the Group's Russian business completes its loan repayments, however the Turkish business is entitled to receive the accrued interest on the deposit.

Other current liabilities	30 June 2018	31 December 2017
Advances received from franchisees	9,421	6,200
Unused vacation liabilities	6,816	5,070
Social security premiums payable	5,467	2,969
Payable to personnel	5,235	5,236
Deferred revenue (*)	4,994	4,110
Taxes and funds payable	3,097	4,776
Volume rebate advances	-	4,819
Other expense accruals	5,047	2,022
Total	**40,077**	**35,202**

Other non-current liabilities	30 June 2018	31 December 2017
Deferred revenue (*)	25,621	22,442
Total	**25,621**	**22,442**

(*) Represents the effect of transition to IFRS 15. Refer to note 2.3 for further details.

NOTE 16 - FINANCIAL LIABILITIES

	30 June 2018	31 December 2017
Short term bank borrowings	109,625	75,174
Short-term financial liabilities	**109,625**	**75,174**
Short-term portions of long term borrowings	114,776	61,757
Short-term portions of long-term financial lease borrowings	6,526	5,221
Current portion of long-term financial liabilities	**121,302**	**66,978**
Total short term financial liabilities	**230,927**	**142,152**
Long-term bank borrowings	42,028	74,545
Long-term financial lease borrowings	10,854	11,208
Long-term financial liabilities	**52,882**	**85,753**
Total financial liabilities	**283,809**	**227,905**

The loan agreement signed with Türkiye İş Bankası A.Ş. by Domino's Turkey is subject to covenant clauses whereby Domino's Turkey is required to meet certain ratios. The financial indicator of leverage ratio which requires the ratio of net debt to adjusted EBITDA for the relevant period should not be more than 2.50:1; and total free cash flow to total debt service ratio should not be less than 1.1 at the end of each financial year. If the Company ends up with any ratio above 2.50:1 or below 1.1 at the end of financial period, they need to meet the covenant in the subsequent 20 working days.

Domino's Turkey has met financial covenants clauses of Türkiye İş Bankası as of 30 June 2018.

The loan agreement between Denizbank Moscow and Domino's Russia requires that unless there is written approval from Denizbank Moscow, there will not be any changes in more than 50% of the capital directly and that no agreements or documents that may result in the above results will be signed or interpreted this way.

Throughout the period Domino's Russia meets covenants clauses of Denizbank Moscow.

NOTE 17 - PROVISIONS

Short-term provisions	**30 June 2018**	**31 December 2017**
Performance bonuses	4,456	5,576
Legal provisions and other	2,116	2,116
	6,572	**7,692**

Legal provisions are mostly resulting from labour and rent discrepancies.

The movement of provisions as of 30 June 2018 is as follows:

	Performance bonuses	**Legal and other**
Balance at 1 January 2018	5,576	2,116
Provision set during the period	4,456	-
Paid during the period	(5,576)	-
Balance as at 30 June 2018	**4,456**	**2,116**

NOTE 18 - COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

a) Guarantees given to third parties as of 30 June 2018 and December 2017 are as follows;

	30 June 2018	31 December 2017
Guarantee letters given	3,977	2,193
	3,977	**2,193**

Guarantee letter amounting to EUR 8 million has given to Denizbank Moscow on 17 February 2017.

b) Guarantees received for trade receivables are as follows:

	30 June 2018	31 December 2017
Guarantee notes received	33,292	31,682
Guarantee letters received	20,722	18,579
	54,014	**50,261**

c) Tax contingencies

Russian tax legislation which was enacted or substantively enacted at the end of the reporting period, is subject to varying interpretations when being applied to the transactions and activities of the Group. Consequently, tax positions taken by management and the formal documentation supporting the tax positions may be challenged by tax authorities. Russian tax administration is gradually strengthening, including the fact that there is a higher risk of review of tax transactions without a clear business purpose or with tax incompliant counterparties.

As Russian tax legislation does not provide definitive guidance in certain areas, the Group adopts, from time to time, interpretations of such uncertain areas that reduce the overall tax rate of the Group. While management currently estimates that the tax positions and interpretations that it has taken can probably be sustained, there is a possible risk that an outflow of resources will be required should such tax positions and interpretations be challenged by the tax authorities. The impact of any such challenge cannot be reliably estimated; however, it may be significant to the financial position and/or the overall operations of the Group.

NOTE 19 - EQUITY

The shareholders and the shareholding structure of the Group at 30 June 2018 and 31 December 2017 are as follows:

	30 June 2018		31 December 2017	
	Share (%)	Amount	Share (%)	Amount
Fides Food Systems Coöperatief U.A.	42.8	15,562	42.8	15,562
Public shares	52.1	18,944	52.1	18,944
Vision Lovemark Coöperatief U.A.	4.9	1,774	4.9	1,774
Other	0.2	73	0.2	73
		36,353		**36,353**

As of 30 June 2018, the Group’s 145,372,414 shares are issued and fully paid for.

The nominal value of each share is EUR 0.12 (2017: EUR 0.12). There is no preference stock.

Share premium

Share premium represents differences resulting from the incorporation of Fides Food by Fides Food Systems Coöperatief U.A. at a price exceeding the face value of those shares and differences between the face value and the fair value of shares issued at the IPO.

Ultimate controlling party

The ultimate controlling party of the Company is Turkish Private Equity Fund II L.P. There is no individual ultimately controlling the Group.

NOTE 20 - INCOME TAX

The Group is subject to taxation in accordance with the tax regulations and the legislation effective in the countries in which the Group companies operate. Therefore, provision for taxes, as reflected in the condensed consolidated financial information, has been calculated on a separate-entity basis. The tax rate used for the period to 30 June 2018 is 25 % (31 December 2017: 25%).

The breakdown of cumulative temporary differences and the resulting deferred income tax assets/liabilities at 30 June 2018 and 31 December 2017 using statutory tax rates are as follows:

	30 June 2018		**31 December 2017**	
	Temporary differences	**Deferred tax assets/ (liabilities)**	**Temporary differences**	**Deferred tax assets/ (liabilities)**
Carry forward tax losses (*)	40,033	8,007	30,439	6,088
Property, equipment and intangible assets	(39,120)	(7,712)	(44,160)	(8,832)
Deferred revenue	24,974	5,426	21,983	4,397
Bonus accruals	5,881	1,222	5,733	1,147
Unused vacation liabilities	3,128	688	2,386	477
Legal provisions	2,116	465	2,116	423
Provision for employee termination benefit	1,515	333	1,374	275
Other	7,198	1,417	9,772	1,954
Deferred income tax assets, net		**9,846**		**5,929**

NOTE 21 - SHARE BASED PAYMENTS

The Phantom Option Scheme

The Phantom Option Scheme was put in place to incentivise senior members of management. The incentive plan entitles the employees to a cash payment at the date of an exit by shareholders. The amount payable will be determined based on the difference between the equity value of the entities at the time of exit and their grant dates. Granted options will only vest if certain conditions are met, including continued employment with the Group, and if there is an event of 100% exit by Fides Food Systems Coöperatief U.A. and Vision Lovemark Coöperatief U.A. However, shareholders have the right to exercise these plans even if they do not exit 100% of their stake and may determine the amount payable to employees pro rata their exited shareholding.

Based on this scheme, the difference between the grant equity value and the exit value of the entities have been allocated for Domino's Turkey and Domino's Russia separately and multiplied by the respective option amount of each individual.

Options are granted under the plan for no consideration and carry no dividend or voting rights.

When exercised, the whole payout will be made by the ultimate shareholders of the Group in cash and any taxes, fees or any other costs related to the incentive will be borne by employees within the incentive plan. As a result, the phantom options are accounted for as equity-settled share-based payment awards.

The Company uses the Black-Scholes option valuation model to calculate the fair value of the Phantom Option at the date of grant. Option pricing models require the input of highly subjective assumptions, including the expected price volatility. The fair value at grant date is determined using an adjusted form of the Black Scholes Model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk free interest rate for the term of the option. The expected price volatility is based on the historic volatility of the peer group companies. The fair value of the options is then recognized over the vesting period of the options granted.

The share-based incentives in the period ended 30 June 2018 and 31 December 2017 were derived from the vesting of grants which have been estimated using the Black Scholes option pricing model based on the following weighted-average assumptions:

Expected average option term in years: 8.8 years
Expected volatility: 42.6%
Expected dividend yield: 0%
Risk-free interest rate: 2.6%

In relation with the IPO, the selling shareholders used their right to partly settle the option undertakings in August 2017, with the portion corresponding to the percentage of shares of selling shareholders that were sold during the IPO. As a result, this portion of the outstanding share-based incentives is fully expensed as at 30 June 2017.

CEO Share Incentive Scheme

Additionally, a share incentive scheme was put in place between Fides Food Systems Coöperatief U.A., and Vision Lovemark Coöperatief U.A. Based on performance targets, and continuing employment of the CEO, the shares would be granted each year to Vision Lovemark Coöperatief U.A.

The share incentive scheme has been terminated in December 2016. The fair value of the shares granted was determined with reference to an EBITDA based enterprise value of the Group's Turkish segment. The vesting period for each grant was 1 year.

Russian CEO Share Incentive Scheme

A share incentive scheme as put in place at the time of the IPO on 3 July 2017. According to the incentive scheme an employee was granted an option to acquire 2,700,000 shares. The price payable per share on exercise of the option is GBP 2.00. The shares under the option will vest in equal instalments on each anniversary of the award, with the final instalment vesting on the fifth anniversary of Admission. The option will only vest if he has not ceased to be an employee of the Group and is not under notice to terminate his employment with the Group.

The weighted-average fair value of the options granted under the LTIP Scheme in 2018 amounted to TRY 719 per option, which has been estimated using the Black-Scholes option pricing model based on the following weighted-average assumptions

Share price on the grant date: GBP 1.85;
Expected average option term in years: three years;
Expected volatility: 36.6%;
Expected dividend yield: 0%; and
Risk-free interest rate: 0.9%.

New LTIP Scheme

New share incentive scheme as put in place on 7 May 2018. According to the incentive scheme employees was granted an option to acquire shares, based on performance targets of the Group for the upcoming three years, and continuing employment till the vesting time. The shares under the option will vest at the end of scheme period.

The weighted-average fair value of the options granted under the LTIP Scheme in 2018 amounted to TRY 349 per option, which has been estimated using the Black-Scholes option pricing model based on the following weighted-average assumptions

Share price on the grant date: GBP 1.87;
Expected average option term in years: three years;
Expected volatility: 37.7%;
Expected dividend yield: 0%; and
Risk-free interest rate: 0.75%.

Under these existing plans, the cumulative charge is TRY19,251 as at 30 June 2018 and TRY18,183 as at 31 December 2017, and current year charge is TRY1,068 and TRY132 as at 30 June 2018 and 2017, respectively. There are no plans forfeited in the years 2018 and 2017.

NOTE 22 - SUBSEQUENT EVENTS

On July 2018, the Group refinanced its Euro denominated loans in Russia with a Rouble denominated loan. The RUB 2.2 billion facility has 76 months term with a 12 months grace period and carries an interest rate of 9.7%. The loan carries a RUB 420 million cash deposit condition to be made as a collateral by the Russian operating company.

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Review report

To: the board of directors of DP Eurasia N.V.

Introduction

We have reviewed the accompanying condensed consolidated interim financial information for the six-month period ended 30 June 2018 of DP Eurasia N.V., Amsterdam, which comprises the condensed consolidated statement of financial position as at 30 June 2018, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows for the period then ended and the selected explanatory notes. The board of directors is responsible for the preparation and presentation of this (condensed) interim financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, Review of Interim Financial Information Performed by the Independent Auditor of the company. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information for the six-month period ended 30 June 2018 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

Amsterdam, 10 September 2018
PricewaterhouseCoopers Accountants N.V.

Original has been signed by J. van Meijel RA

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