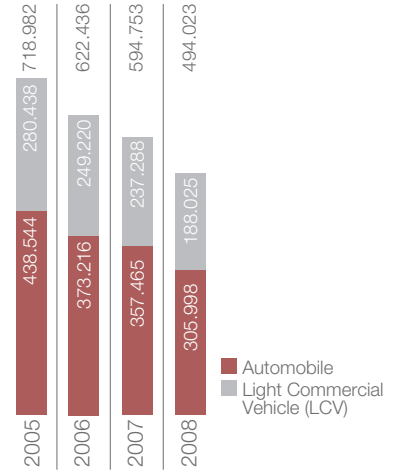


The Automobile Sector and Tofaş's Position in the Sector

The domestic market got off to a brisk start in 2008 with the acceleration gained over the last months of 2007. It completed the first quarter of the year with an increase of 27.4% over the same period of the previous year.

However, decreased demand due to the effects of global economic recession, which were particularly felt in the second half of the year, had caused domestic market shrinkage at a rate of 16.9% as of the end of 2008.

Total Market (Volume)	2007	2008	Değişim %
Automobile	357.465	305.998	-14.4
Light Commercial Vehicle (LCV)	237.288	188.025	-20.8
Total	594.753	494.023	-16.9



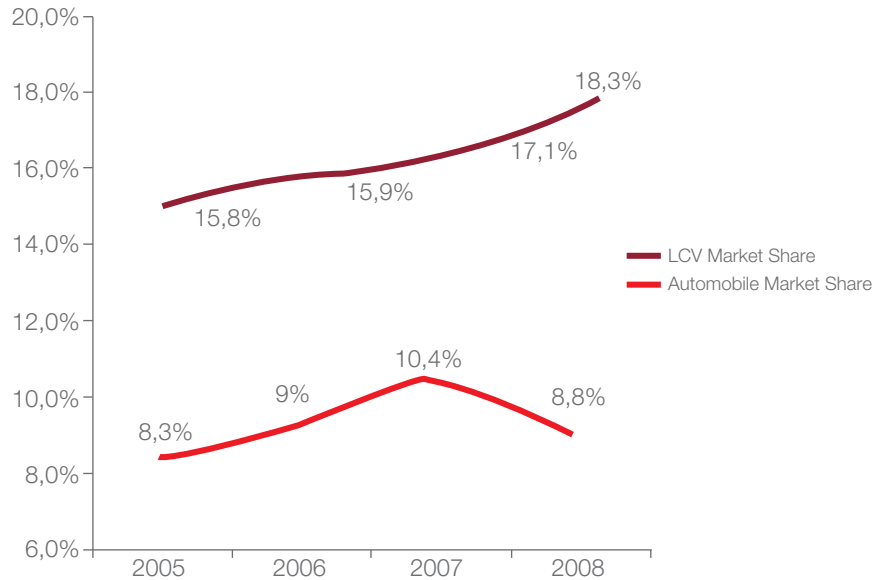
Global economic recession experienced in the second half of 2008 also caused some shrinkage in Tofaş's domestic sales, as well as in the domestic market overall.

Our automobile market share was 8.8% in 2008. At this level, our automobile retail sales reached a volume of 27,054, ranking the company third in the domestic market.

Our share in the light vehicle market also continued to increase in 2008 in line with the rising trend over the past five years, rising from 17.1% in 2007 to 18.3% in 2008. Our retail sales volume was 34,448 vehicles. Tofaş maintained its second place in the light vehicle market on this amount; however, it increased the difference between itself and its closest competitor and decreased the margin between itself and the first-ranked competitor. The greatest factor in this accomplishment was undoubtedly our new light vehicle, the Fiat Fiorino (Minicargo), which was introduced to the market in December of 2007.

Considering automobiles and light commercial vehicles overall, our total market share was 12.4% on a retail sales volume of 61,502 units.

Retail Sales (Volume)	2007	2008	Change %
Automobile	37.235	27.054	-27.3
Light Commercial Vehicle (LCV)	40.561	34.448	-15.1
Total	77.796	61.502	-20.9

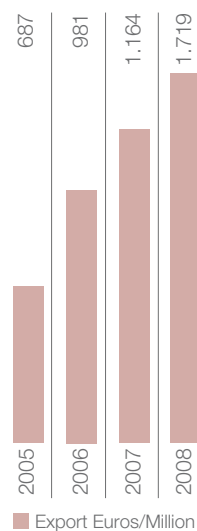


Export

Tofaş managed to increase its exports at a rate of 43.3% in 2008 compared to the previous year, despite the economic recession also experienced in European markets, and in so doing matched the record it had broken in 2007. Our export income corresponded to a foreign currency figure of 1,719 million Euros.

Export (Volume)	2007	2008	Change %
Automobile	52.108	45.811	-12,1
Light Commercial Vehicle	72.966	143.056	96,1
CKD/SKD	21.120	20.607	-2,4
Total	146.194	209.474	43,3

The most effective model in this high increase observed in our export volume was the Minicargo, numbering unit sales of 91,099, the export of which we commenced in November 2007. Our CKD/SKD export volume registered at 20,607 units, in parallel with 2007.



Our exports increased at a rate of **43,3%** year-on-year in 2008.

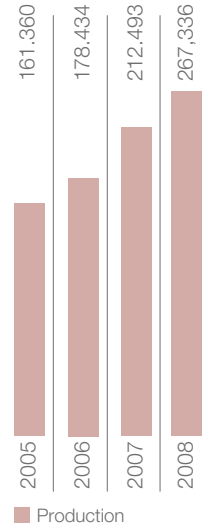


Production

Our production, which was at 212,493 units in 2007 increased at a rate of 25.8% to a volume of 267,336 units in 2008.

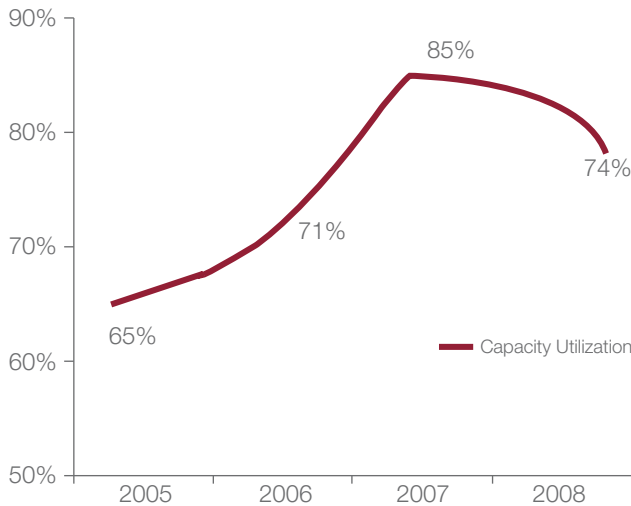
Our production increased at a rate of **25,8%** in 2008.

Modeller	2007	2008
Palio	3,101	2,161
Albea	18,006	10,553
Linea	23,147	17,932
Doblo - Binek	37,133	25,319
Minicargo - Binek		13,243
Total of Automobiles	81,387	69,208
Doblo	98,108	78,688
Palio Van	1,400	170
Minicargo	10,628	98,567
Total of Light Commercial Vehicles (LCV)	110,136	177,425
CKD	17,352	20,592
SKD	3,618	111
Total of CKD/SKD	20,970	20,703
TOTAL	212,493	267,336



Our company broke the manufacturing record of the previous year with its production volume achieved in 2008.

The capacity utilization rate with a mean of 85% as per volume capacity of 250,000 in 2007 was at a mean of 74% when considering that our capacity rose to 360,000 in 2008. Our production capacity had reached 400,000 as of the end of the year with investments made in 2008.



Sales and Revenue

While our total sales increased at a rate of 23.8% in 2008 compared to 2007, reaching a volume of 277,843, the share of exports in our total sales increased to 75.4%.

Category	Domestic Market		Foreign Market		Total	
	2007	2008	2007	2008	2007	2008
Automobile	38.001	30.215	52.108	45.811	90.109	76,026
Light Commercial Vehicle	40.230	38.154	72.966	143.056	113.196	181,210
CKD/SKD	0	0	21.120	20.607	21.120	20,607
Total	78.231	68.369	146.194	209.474	224.425	277,843

The sale proceeds of the company as per International Financial Reporting Standards were as follows:

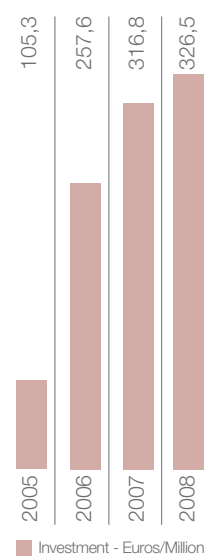
Thousand TL	2007	2008	Change %
Domestic Sales	1.534.689	1.356.819	-11.6
Foreign Sales	2.037.627	3.309.772	62.4
Other Sales	86.625	131.435	51.7
Total	3.658.941	4.798.026	31.1

Investments

In 2008, Tofaş made investments at an amount of 326.5 million Euros, and the distribution of these investments as per key items is as follows:

	Euro (million)
263	193.2
Minicargo	53.4
Linea	11.0
Capacity Expansion	33.7
Modernizasyon	9.0
Quality-Increasing Investments	9.9
Other	16.3
Total	326.5

With investments made in 2008, the total investment amount made over the past 5 years reached 1,027 million Euros.



Profitability:

The increases made in our domestic sales and exports in recent years continued in the first half of 2008. However, our profitability before tax increased compared to the previous year, despite shrinkage and decreased demand in both the domestic and foreign markets in the second half of 2008, when the effects of the global economic crisis started to be felt.

