

TOFAŞ
TÜRK OTOMOBİL FABRİKASI A.Ş.
40. ORDINARY GENERAL ASSEMBLY MEETING
24.04.2008

MINUTES OF THE MEETING

The Annual General Meeting of the Shareholders of TOFAŞ Türk Otomobil Fabrikası A.Ş. as of the year **2007** has been held under supervision of Mr. Ismail YILDIZ, the Commissioner of the Ministry assigned upon letter 22610 of Istanbul Provincial Office of Industry and Trade dated 22.04.2008 to discuss and adopt a resolution on the contents of agenda on **24 April 2008** Thursday at 11.00 hours at Divan City Hotel, Büyükdere Caddesi No:84 Gayrettepe - İstanbul.

It is observed that the call and invitation for the meeting has been made in time as required by the Law and Articles of Association by inclusion of the Agenda and by a notice that appeared on the copies of Milliyet and Sabah daily newspapers on 24.03.2008 and on the copy of Turkish Commercial Registry Journal no. 7026 on 24.03.2008 as well as on the website of the company at www.tofas.com.tr address. It is also observed that the date, venue and agenda of the meeting have been communicated to all shareholders recorded in the Registry of Members in accordance with the provisions of Turkish Commercial Code, Capital Market Act and the Articles of Association.

As a result of examination of the List of Attendants, that of the 50.000.000.000 shares representing the Company's issued capital of YTL 500.000.000, shareholders holding 37.759.026.270 shares representing a capital of YTL 377.590.262,70 personally at the meeting while shareholders holding 2.969.792.935 shares representing a capital of YTL 29.697.929,35 were present by proxies thereat and a total of 40.728.819.205 shares representing that the minimum quorum for the meeting required by both the Law and the provisions of the Articles of Association is thus present, the meeting has been opened by Mr. O. Turgay DURAK and the agenda started to be discussed

- 1) Pursuant to item 1 of the Agenda, election for the Chairmanship Council responsible for the management of meeting has been made. It has been unanimously resolved to appoint Mr. Mustafa V. KOÇ as the Chairman of Council, Mr. Ali PANDIR and Mr. Turgay DURAK as the Vote Collectors and Mr. Cengiz EROLDU as the Secretary. The Chairman thanked the attendants and passed to the item 2 of the Agenda following one minute of silence.
- 2) Upon instruction of the Chairman, the Secretary has read the reports of Board of Directors, Auditors and summarized report of Ernst & Young - Güney Serbest Muhasebeci Mali Müşavirlik A.Ş., Independent Auditors, on the activities as of 2007 of our Company having consolidation liability.

Consolidated financial statements that were issued in accordance with International Financial Reporting Standards (IFRS) system and subjected to Independent Auditing pursuant to "Notification on Accounting Standards in Capital Market" Volume IX, No: 25 of Capital Market Board have been read and discussed.

Moreover, the Corporate Governance Principles Adoption Report has been read to provide information to the shareholders.

At the end of the discussions held, the consolidated Balance Sheet showing the sum of actives and passives YTL 3,176,256 thousand as of 31.12.2007 and the consolidated Income Statement showing a profit before tax of YTL 175,819 thousand for the year 2007 have been accepted upon majority of votes of other Shareholders representing 40,222,774,405 shares with rejection votes of The Rockefeller Foundation totaling to 3,407,700 and the abstention votes totaling to 502,637,100 comprising of the absentation votes of BBH/Picted Group Trust totaling to 35,084,400, Barclays Gldbal Investments Funds totaling to 21,853,100, Ishares MSCI Turkey Index Fund totaling to 4,736,200, Ishares MSCI Emerging Index Fund totaling to 440,459,400 and Investors Barclays Global totaling to 504,000.

The speech text of Mr. Özdemir BAYUR, a Shareholder with 100 shares, has been added to the minutes of the meeting upon his request.

- 3) It has been accepted upon majority of votes of other Shareholders representing 40,695,290,005 shares with the total rejection votes of 33,529,200 comprising of rejection votes of Caisse De Depot totaling to 15,631,800 and 14,489,700 and The Rockefeller Foundation totaling to 3,407,700 to assign Mr. Bülent BULGURLU and Mr. O. Turgay DURAK as the members of the Board of Directors to replace Mr. F. Bülent ÖZAYDINLI and Mr. Kudrat ÖNEN, who have resigned from their positions within the term, under the same conditions stated in article 315 of Turkish Commercial Code as of the date of election.
- 4) The Chairman has presented the acquittal of the Directors and Auditors for the activities in 2007 to the approval of the General Assembly. The Directors and managers did not vote. At the end of voting, all the Directors and Auditors have been acquitted upon majority of votes of other Shareholders representing 40,725,411,505 shares with the abstention votes of The Rockefeller Foundation totaling to 3,407,700.
- 5) The net term profit of YTL 175,819,000 determined as a result of examining the consolidated Balance Sheet and Income Statement as of 2007 and all financial liabilities and tax provisions of our Company are deducted, the meeting discussed the proposal on the distribution and the date of distribution of a total of YTL 90,000,000 cash dividend corresponding to a proportion of 18% to our Shareholders after deduction of legal provisions allocated pursuant to Turkish Commercial Code, Capital Market Regulations and the Company Articles of Association.

Accordingly, the following proposal on the distribution of cash dividend has been unanimously accepted;

- A Ykr 0.18 gross=net cash dividend to be paid in exchange of one share with a nominal value of Ykr 1 corresponding to a rate of 18% to all full liability entities and limited liability entities that obtain dividends by means of a place of business and a permanent representative in Turkey,
- A Ykr 0.18 gross and Ykr 0.155 net cash dividend to be paid in exchange of one share with a nominal value of Ykr 1 corresponding to a rate of 18% to other shareholders, and
- The date of allocation of profit to be determined as 12 May 2008.

In addition, it is unanimously agreed to give authorization to the Board of Directors to allocate dividend advance pays when required within the year.

- 6) Pursuant to Corporate Governance Principles, the profit allocation policy for the year 2008 and the succeeding years has been presented to the knowledge of the General Assembly Meeting as stated in the Corporate Governance Principles Adoption Report and given as follows with the affirmative votes of the other Shareholders representing 39,263,467,305 shares with the total abstention votes of 1,465,351,900 comprising of the abstention votes of UBS Pace INTL Emerging totaling to 52,012,900, Caisse De Depot totaling to 15,631,800 and 14,489,700, John Hancock Funds totaling to 300,700, John Hancock Trust totaling to 253,400 and 334,000, California State T.R. System totaling to 226,182,100, The Rockefeller Foundation totaling to 3,407,700, SSGA Emerging Markets totaling to 89,557,600, BBH/The Master Trust totaling to 4,815,600, BBH/American Babtist Home totaling to 2,545,000, BBH/Pictet Global totaling to 112,780,700, BBH/Picted Group Trust totaling to 35,084,400, BBH/The Central Fund totaling to 135,000,000, BBH/ Consulting Group totaling to 10,274,800, BBH/Forward Fund totaling to 944,500, Melon Bank N.A./Central Fund totaling to 2,667,300, Melon Bank N.A./Commonwealth of Penn totaling to 53,355,000, Melon Bank N.A./John Deere Acadian totaling to 5,701,300, Melon Bank N.A./Kodak Retirement totaling to 72,672,000, Melon Bank N.A./Kodak Pension totaling to 11,898,300, Melon Bank N.A./Merrillynch Emerging totaling to 22,040,300, Melon Bank N.A./Cornell University totaling to 29,221,800, Melon Bank N.A./Florida Retirement totaling to 163,092,300, Melon Bank N.A./Stichting Funds totaling to 6,918,400, Delaware Pooled Trust totaling to 174,485,800, Dexia/Via Rail Canada totaling to 9,638,400, Dexia/American Express Funds totaling to 3,199,700, Vital Forsikring totaling to 34,787,400, Bony/Alaska Fund totaling to 88,591,500, Bony/Wisdomtree Emerging totaling to 3,433,100, Lincoln Emerging Trust totaling to 34,636,100 and Stichting Spoorweg totaling to 45,398,300.

In this context, the Dividend Distribution Policy of our Company is included in the Adoption Report on Corporate Governance Principles and the Minutes of

General Assembly Meeting of the previous years and is determined in accordance with the relevant articles of Turkish Commercial Code and Capital Market Law, the relevant regulations and Communiques of the Capital Market Board as well as mid- and long-term strategies and investment and financial plans of our Company. Our Dividend Distribution Policy determined in this way is submitted to the information of the shareholders and the public in the Activity Report and Shareholders' General Meeting of our Company as of 2008 in accordance with the relevant Articles of Association of our Company.

The relevant provisions of the Communiqué of the Capital Market Board specify that at least 20% of the distributable profit is to be distributed. Our Company adopts the principle of distributing the maximum amount of dividends to our shareholders but not less than the abovementioned rate based on strategic plans and financial structure.

Dividends may be distributed among our shareholders in cash or free of charge by way of adding dividends in the capital or partly in cash and partly in the form of free shares pursuant to decisions of our General Assembly.

There are no privileges related to distribution of dividends. Dividends are distributed equally regardless of the whole current shares or their dates of issuance and acquisition.

The dividend distribution amounts determined in accordance with the relevant legal regulations and article 29 of the Company Articles of Association related to distribution of dividends will be distributed among our shareholders on the date to be determined by our General Assembly upon approval thereof within the legal periods.

In addition to this, it is also possible to distribute an advance dividend to our shareholders upon decision of the Board of Directors if authorized to do so by the General Assembly pursuant to article 29 of our Articles of Association.

- 7) It has been presented to the knowledge of General Assembly that the Company has made a total donation of YTL 2,147,755.34 to Foundations and Societies including YTL 2,000,000.- donation to Vehbi Koc Foundation having the tax exemption in 2007 for social aid purposes with the affirmative votes of the other Shareholders representing 39,263,467,305 shares with the total abstention votes of 1,465,351,900 comprising of the abstention votes of UBS Pace INTL Emerging totaling to 52,012,900, Caisse De Depot totaling to 15,631,800 and 14.489.700, John Hancock Funds totaling to 300,700, John Hancock Trust totaling to 253,400 and 334,000, California State T.R. System totaling to 226,182,100, The Rockefeller Foundation totaling to 3,407,700, SSGA Emerging Markets totaling to 89,557,600, BBH/The Master Trust totaling to 4,815,600, BBH/American Babtist Home totaling to 2,545,000, BBH/Pictet

Global totaling to 112,780,700, BBH/Picted Group Trust totaling to 35,084,400, BBH/The Central Fund totaling to 135,000,000, BBH/ Consulting Group totaling to 10,274,800, BBH/Forward Fund totaling to 944,500, Melon Bank N.A./Central Fund totaling to 2,667,300, Melon Bank N.A./Commonwealth of Penn totaling to 53,355,000, Melon Bank N.A./John Deere Acadian totaling to 5,701,300, Melon Bank N.A./Kodak Retirement totaling to 72,672,000, Melon Bank N.A./Kodak Pension totaling to 11,898,300, Melon Bank N.A./Merrillynch Emerging totaling to 22,040,300, Melon Bank N.A./Cornell University totaling to 29,221,800, Melon Bank N.A./Florida Retirement totaling to 163,092,300, Melon Bank N.A./Stichting Funds totaling to 6,918,400, Delaware Pooled Trust totaling to 174,485,800, Dexia/Via Rail Canada totaling to 9,638,400, Dexia/American Express Funds totaling to 3,199,700, Vital Forsikring totaling to 34,787,400, Bony/Alaska Fund totaling to 88,591,500, Bony/Wisdomtree Emerging totaling to 3,433,100, Lincoln Emerging Trust totaling to 34,636,100 and Stichting Spoorweg totaling to 45,398,300.

- :
- 8) Election has been held for the Members of the Board of Directors whose terms have expired. The Commissioner of the Ministry of Industry and Trade has seen the declarations of candidanship to the Board of Directors. As a result of the election held, it has been resolved upon majority of votes of other Shareholders representing 40,695,290,005 shares with the rejection votes of The Rockefeller Foundation totaling to 3,407,700 and the abstention votes of Caisse De Depot totaling to 30,121,500 including 15,631,800 and 14,489,700 to appoint Mr. Mustafa Vehbi KOÇ, Mr. Temel Kamil ATAY, Mr. Bülent BULGURLU and Mr. Osman Turgay DURAK representing Group A shares and Mr. Sergio MARCHIONNE, Mr. Ali Aydın PANDIR, Mr. Alfredo ALTAVILLA and Mr. Paolo MONFERINO representing Group D shares as the Members of the Board of Directors.
 - 9) Election has been held for the Auditors whose terms have expired The Commissioner of the Ministry of Industry and Trade has seen the declarations of candidanship to the Board of Auditors. Information has been obtained on the replacement of Auditors within the term. As a result of the election held, it has been unanimously resolved to appoint Mr. Mert Şaban BAYRAM, Mr. Serkan ÖZYURT and Mr. Alessandro GILI as the Auditors to be in charge until the Ordinary General Assembly Meeting of Shareholders to be held to discuss the accounts as of the year 2008.
 - 10) Pursuant to provisions of Capital Market Regulations and the Notification the Independent Auditing in the Capital Market, it has been unanimously resolved to approve the assignment by the Board of Directors of Ernst & Young - Güney Serbest Muhasebeci Mali Müşavirlik A.Ş. as the independent external auditors as from the 2008 fiscal year and that the agreement be approved in this respect.
 - 11) It has been resolved upon majority of votes of other Shareholders representing 40,725,411,505 shares with the with the rejection votes of The Rockefeller Foundation totaling to 3,407,700 that the Chairman and the Members of the Board

be paid a monthly gross remuneration of YTL 1.365 and Auditors be paid a monthly gross remuneration of YTL 490 as of 01.01.2008b.

- 12)** Pursuant to Articles 334 and 335 of Turkish Commercial Code that enable the Members of the Board to do business related to Company's subject personally or on behalf of others, become partners in such companies and carry out other transactions, it has been unanimously resolved to permit the Members of the Board to do so, provide that they shall not act as the Director, manager or employee of any third parties or companies that are engaged in motor vehicle business other than motor vehicles manufactured by or under the license of Fiat Group.
- 13)** The Chairman of General Assembly has proposed a voting on the authorization of Chairmanship Council to sign the Minutes of General Assembly on behalf of Shareholders. It is unanimously resolved that the Chairmanship Council will be authorized to sign the Minutes of General Assembly and that it will suffice.
- 14)** Under the item of agenda regarding the wishes, intents have been expressed on the continuity of company's activities, operations and success.

As there was no further item to discuss, the Chairman closed the meeting. These minutes were issued and signed after the meeting at the place thereof. **24 April 2008.**

CHAIRMAN OF THE MEETING

MUSTAFA V. KOÇ

**COMMISSIONER OF
THE MINISTRY OF INDUSTRY AND TRADE
İSMAİL YILDIZ**

SECRETARY

CENGİZ EROLDU

VOTE COLLECTOR

ALİ AYDIN PANDIR

VOTE COLLECTOR

OSMAN TURGAY DURAK