

KOÇ HOLDING DISCLOSES 896 MILLION YTL IN PROFITS FOR FIRST HALF

Koç Holding's revenues reached 23.7 billion YTL for first half of 2007, a 6% increase on the same period last year; and net operating profit increased by 31% to 1,734.8 million YTL. Despite the uncertainty brought on by election atmosphere, high real interest rates, contraction in consumer spending and subsidiary disposals, Koç Holding continued to increase its revenues, while growing return on equity rapidly to 27.9%.

Koç Holding's CEO Bülent Bulgurlu said that Koç Group successfully continued its subsidiary disposals within the framework of its focused growth strategy in line with their recent strategic decisions. In this context, he added, the sale of Demirdöküm is about to be closed; as part of the disposal plan for Migros, as an initial step an agreement has been signed to sell Ramenka in Russia, in which they had 50% ownership and the disposal process for Migros and other subsidiaries was under way. Bülent Bulgurlu stressed that the disposal of Ramenka would further enhance the net cash position of Migros, and reinforce its strength as the market leader. Bulgurlu indicated that they would use the proceeds from subsidiary disposals to grow rapidly and create globally competitive companies in energy, automotive, consumer durables and finance sectors. He stated that they would continue to author new and profitable projects in the subject sectors going forward.

Bülent Bulgurlu briefly assessed the first half of the year, and reiterated that despite global capital movements and uncertainty brought on by the election atmosphere in Turkey, the Turkish economy continued to grow due to its strengthening economic infrastructure and dynamics as well as confidence in Turkey's continued stable growth potential. Bulgurlu said that domestic markets experienced considerable contraction in consumer durables and automotive in the first half, however the growth in exports facilitated the continuation of increase in production and capacity utilization. Bulgurlu further noted that export based sales in automotive went up rapidly, and that with the revival in the economy that is expected to take place next year, the sector might see higher revenues and profitability. Bulgurlu emphasized that the restructuring in the banking and energy sectors, in which they made significant acquisitions, was completed faster and more efficiently than they expected, and added that the organic growth in net operating profit in these sectors was as high as 74 % in energy and 39% in banking during the first half of 2007. As a final point, Bulgurlu noted that their focus in the coming periods would be on increasing operational efficiency, profitability and creation of shareholder value.

KOÇ HOLDING SUMMARY FINANCIALS	30.06.2007	30.06.2006
30 June 2007	mn YTL	mn YTL
Revenues	23,694.4	22,275.2
Net Operating Profit	1,734.8	1,326.9
Profit Before Tax	1,252.2	(559.9)
Net Profit	895.9	(847.1)