

KOÇ HOLDING CONDUCTS 44TH REGULAR GENERAL ASSEMBLY

Koç Holding Chairman, Mustafa Koç, said that leveraging the Koç Group's ability to predict and direct changes, came a spot in the ranks of globally acclaimed companies, a clear indication of the Koç Group's powerful position in the world.

Koç Holding's 44th Regular General Assembly took place at its corporate headquarters at Nakka•tepe on Tuesday, 29 April 2008.

Koç Holding Chairman, Mustafa Koç, stated that the changes and developments in 2007 in Turkey and throughout the world once again showed the importance of stability and consistency. Mustafa Koç added, "We have seen the advantages of being ready for changes, and even more than being ready, of having an effect on these changes." Furthermore, he pointed out that, as a corporation, they left 2007 behind with both financial and operational success, owing to their ability at predicting and directing changes.

Mustafa Koç continued by saying, "The Koç Group has begun to reap the benefits of foreseeing the need to change, giving importance to the mental exercise of correctly reading potential developments and ensuring every individual in the Group internalizes the importance of "change" management. Boston Consulting Group (BCG), a U.S. consultancy firm, included Koç Holding on their list of "The 2008 BCG 100 New Global Challengers", indicating our Group's powerful position in the world.

"Those who read changes correctly make the right decisions on how and where to stand during the process. We are developing strategies to make us stronger during this process of rapid change and concentrating on our core businesses as a result of our strategic focus. Furthermore, we are restructuring our operations by seizing the opportunities that change brings about."

Koç said that they would focus on those industries where they believe they can achieve greater potential for growth and profitability; and create the highest added value for the Koç Group: energy, durable consumer goods, automotive, and finance. He also added that in line with their mission, Group companies in other industries would also advance through organic growth and move forward along with the Koç Group. Moreover, as with all companies under Koç's umbrella, these companies would aim to be the best in their industries and to become leaders of innovation.

Mustafa Koç explained that the global credit crunch and liquidity crises originating from the US mortgage sector spread all over the world in varying degrees. He listed that the slow down in growth rates of developed countries, the rapid increase in oil and gas prices, and inflationary pressures among the substantial developments of 2007. He added continuing growth in appetite for the emerging markets, especially in China, India, and Russia, as an important trend for Turkey.

In addition, Koç Holding Chairman, Mustafa V. Koç, highlighted that the continuing influx of direct foreign capital and investment initiatives, which have accelerated in the past few years, should be supported while greenfield investments encouraged. Emphasizing the importance of the Turkish Government's structural reform process Mustafa Koç indicated that, "When considering the rapid growth in foreign capital utilization and foreign trade volumes, Turkey will clearly feel the effects of global competition even more in the coming periods. It is imperative that we regain our previous determination and enthusiasm in our relations with the European Union in order to overcome the challenges of global competition."

According to the 2007 year-end results, Koç Holding's overall turnover increased to YTL 51.4 billion. Moreover, net business revenue grew by 20%, approaching YTL 3.6 billion while net profit went up by 309%, climbing to YTL 2.3 billion.