

KOÇ HOLDING'S OPERATING PROFIT INCREASED BY 42% IN THE FIRST QUARTER OF 2008

According to the first quarter 2008 financial results, Koç Holding's consolidated revenues increased by 23%, reaching YTL 12.3 billion while its operating profit was up by 42%, reaching YTL 901 million. Koç Holding's net income for the period came in at YTL 206 million and net income before minority interest was YTL 46 million.

Dr. Bülent Bulgurlu, the CEO of Koç Holding, stated that Koç Holding continued to increase its operating profit and margins as a result of the intensive acquisitions and investments realized throughout the last two years in the four core sectors that the company is focusing on. Bulgurlu pointed out that despite the global uncertainties and the slowdown in the economic growth, the operating profit in the automotive sector increased by 155% year-on-year, thanks to their significant export capability and increasing capacity utilization rates. He added that the operating profit in the energy and finance sectors increased by 68% year-on-year, driven by the strong turnaround and efficiencies realized in Yapı Kredi Bank and Tüpra• after they joined the Group. Bulgurlu also said that they are closely monitoring the opportunities in the market to strengthen their global standing in the consumer durables sector.

Bülent Bulgurlu stated that aside from their profitable financial performance, the short fx position at stand-alone Koç Holding level was closed as of June and the Company was now at a net cash position of approximately US\$750 million. He concluded by saying that the Group's net cash position would exceed US\$1 billion following the completion of the ongoing sale of Koç Allianz shares, thus, further strengthening their equity position for new investment opportunities.