Anadolu Isuzu Otomotiv
Sanayi ve Ticaret Anonim Şirketi

Consolidated Financial Statements
and Independent Auditor's Report
For the Year Ended December 31, 2008

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INDEPENDENT AUDIT REPORT

TO THE BOARD OF DIRECTORS OF
ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET ANONİM ŞİRKETİ

We have audited the accompanying financial statements of **Anadolu Isuzu Otomotiv Sanayi ve Ticaret Anonim Şirketi** ("the Company"), which comprise the balance sheets as of December 31, 2008 and the income statements, statements of changes in equity and cash flow statements for the years then ended, and a summary of significant accounting policies and other explanatory notes.

Responsibility of Management in Accordance with Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with financial reporting standards published by Capital Market Board (CMB). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Responsibility of Independent Auditing Firm

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

Our audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Anadolu Isuzu Otomotiv Sanayi ve Ticaret Anonim Şirketi** as of December 31, 2008 and of its financial performance and its cash flow for the year then ended in accordance with financial reporting standards published by Capital Market Board (CMB).(Istanbul, February 27, 2009)

An Independent Member of BAKER TILLY INTERNATIONAL
AGD BAĞIMSIZ DENETİM VE DANIŞMANLIK S.M.M.M. A.Ş

METİN ETKİN
Certified Public Accountant

BALANCE SHEET

(XI-29 CONSOLIDATED)		Audited	Audited
	Notes	December 31, 2008	December 31, 2007
ASSETS			
Current Assets		**284.885.024**	**244.813.859**
Cash and Cash Equivalents	**6**	47.288.335	83.947.315
Financial Investments	**7**	0	0
Trade Receivables	**10**	73.586.791	94.609.968
Receivables from Financial Operations	**12**	0	0
Other Receivables	**11**	8.415.032	2.515.873
Inventories	**13**	139.478.678	62.677.694
Biological Assets	**14**	0	0
Other Current Assets	**26**	16.116.188	1.063.009
(Sub Total)		**284.885.024**	**244.813.859**
Fixed Assets Held for Sale Purposes	**34**	0	0
Non-Current Assets		**74.529.942**	**68.201.046**
Trade Receivables	**10**	0	21.862
Receivables from Financial Operations	**12**	0	0
Other Receivables	**11**	99.749	76.785
Financial Investments	**7**	3.898	3.898
Investments Evaluated by Equity Method	**16**	0	0
Biological Assets	**14**	0	0
Investment Properties	**17**	0	0
Tangible Fixed Assets	**18**	69.011.601	65.127.798
Intangible Fixed Assets	**19**	3.073.699	629.666
Goodwill	**20**	2.340.995	2.340.995
Deferred Tax Assets	**35**	0	0
Other Non-Current Assets	**26**	0	42
TOTAL ASSSETS		**359.414.966**	**313.014.905**

The accompanying notes are integral parts of the consolidated financial statements.

BALANCE SHEET

(XI-29 CONSOLIDATED)	Notes	Audited December 31, 2008	Audited December 31, 2007
LIABILITIES			
Short-Term Liabilities		**165.201.855**	**103.836.501**
Financial Liabilities	**8**	42.023.414	14.983.176
Other Financial Liabilities	**9**	0	0
Trade Payables	**10**	114.393.162	73.022.458
Other Payables	**11**	3.612.031	9.987.338
Payables to Financial Operations	**12**	0	0
Government Grant and Assistance	**21**	0	0
Current Period Tax Liability	**35**	35.162	0
Provisions	**22**	4.759.248	5.463.653
Other Short-term Liabilities	**26**	378.838	379.876
(Sub-Total)		**165.201.855**	**103.836.501**
Liabilities related to Fixed Assets held for Sale Purposes	**34**	0	0
Long-Term Liabilities		**8.737.247**	**9.535.747**
Financial Liabilities	**8**	0	0
Other Financial Liabilities	**9**	0	0
Trade Payables	**10**	0	0
Other Payables	**11**	0	0
Payables to Financial Operations	**12**	0	0
Government Grant and Assistance	**21**	0	0
Provisions	**22**	0	0
Provision for Employment Termination Indemnities	**24**	7.195.313	6.481.154
Deferred Tax Liabilities	**35**	867.932	1.979.892
Other Long-term Liabilities	**26**	674.002	1.074.701
SHAREHOLDERS’ EQUITY	**27**	**185.475.864**	**199.642.657**
Parent Company Shareholders' Equity		**185.462.823**	**199.632.537**
Paid-in Capital		25.419.707	25.419.707
Adjustments regarding Share Capital of Participations (-)		0	0
Inflation Adjustment Differences of Shareholders’ Equity		86.901.880	86.901.880
Profit of Cancelled Shares		0	0
Value Increase Funds		0	0
Foreign Currency Translation Differences		0	0
Restricted Reserves Assorted from Profit		13.521.006	12.684.641
Previous Years' Profits		60.088.634	49.419.895
Net Loss for the Period		(468.404)	25.206.414
Minority Interests	**27**	**13.041**	**10.120**
TOTAL SHAREHOLDERS’ EQUITY AND LIABILITIES		**359.414.966**	**313.014.905**

The accompanying notes are integral parts of the consolidated financial statements.

INCOME STATEMENT

(XI-29 CONSOLIDATED)	Notes	Audited December 31, 2008	Audited December 31, 2007
CONTINUED OPERATIONS			
Sales Revenue	**28**	496.763.879	473.605.304
Cost of Sales (-)	**28**	(418.642.111)	(388.763.262)
Gross Profit From Business Operations		**78.121.768**	**84.842.042**
Interest, Charge, Premiums, Commissions and Other Income		0	0
Interest, Charge, Premiums, Commissions and Other Expenses (-)		0	0
Gross Profit / Loss from Financial Operations		**0**	**0**
GROSS PROFIT		**78.121.768**	**84.842.042**
Marketing, Sales and Distribution Expenses(-)	**29**	(44.456.524)	(35.456.631)
General Administration Expenses (-)	**29**	(18.788.171)	(17.351.806)
Research and Development Expenses (-)	**29**	(4.845.445)	(5.863.520)
Other Operating Income	**31**	8.028.257	5.705.160
Other Operating Expenses (-)	**31**	(3.169.629)	(3.993.477)
OPERATING PROFIT		**14.890.256**	**27.881.768**
Share in Profit / (Loss) of Investments Evaluated According to Equity Method		0	0
Financial Income	**32**	41.570.781	17.453.208
Financial Expenses (-)	**33**	(57.904.670)	(13.988.715)
CONTINUED OPERATIONS PROFIT / (LOSS) BEFORE TAXATION		**(1.443.633)**	**31.346.261**
Continued Operations Tax Income / (Expense)		**978.150**	**(6.138.839)**
- Tax Income / (Expense) for the Period	**35**	(133.810)	(8.320.797)
- Deferred Tax Income / (Expense)	**35**	1.111.960	2.181.958
CONTINUED OPERATIONS PERIOD PROFIT / (LOSS)		**(465.483)**	**25.207.422**
DISCONTINUED OPERATIONS		**0**	**0**
Discontinued Operations Profit After Taxation		**0**	**0**
PROFIT / (LOSS) FOR THE PERIOD		**(465.483)**	**25.207.422**
Distribution of Profit / (Loss) For The Period	**27**	**(465.483)**	**25.207.422**
Minority Interest		2.921	1.008
Parent Company Share		(468.404)	25.206.414
Earnings Per Share	**36**	**(0,0184)**	**0,9916**

The accompanying notes are integral parts of the consolidated financial statements.

		Audited	Audited
	Notes	**December 31, 2008**	**December 31, 2007**
CONSOLIDATED STATEMENT OF CASH FLOWS			
Cash Flows from Operating Activities			
Net Profit / (Loss)	**27**	**(468.404)**	**25.206.414**
Adjustments to Reconcile Net Earnings To Cash Flow:			
Depreciation (+)	**18**	12.200.308	11.969.173
Amortization	**19**	327.947	254.296
Provision for Termination Indemnity	**24**	714.159	726.198
Taxes	**35**	(978.150)	6.138.839
Provision For Doubtful Receivables		(1.133)	(785)
Provision For Diminution in Value Of Subsidiaries		0	0
Interest Income	**32**	(8.028.631)	(4.391.955)
Interest Expenses	**33**	1.392.308	741.758
Income / Expense Not Causing Fund Inflow		1.415.778	3.158.485
(Profit) / (Loss) Net From Sales of Fixed Assets	**18**	494.506	538.694
Termination Indemnities Paid		488.447	595.472
Net Operating Profit Before Increase in Assets and Liabilities:		**7.557.135**	**44.936.589**
Increase /(Decrease) in Assets and Liabilities:			
Net (Increase)/Decrease in Trade Receivables		21.206.445	(39.274.576)
Net (Increase)/Decrease in Inventories	**13**	(76.800.984)	31.782.545
Net (Increase)/Decrease in Other Current Assets	**11-26**	(20.975.302)	1.699.502
Net (Increase)/Decrease in Other Non-Current Assets	**26**	42	5.487
Net (Increase)/Decrease in Trade Payables	**10**	41.370.704	17.836.012
Net (Increase)/Decrease in Other Payables		(1.839.376)	2.855.699
Taxes Paid		(7.313.851)	(6.186.694)
Termination Indemnities Paid		(488.447)	(595.472)
Net Cash Inflow Provided/(Used In) From Operating Activities:		**(37.283.634)**	**53.059.092**
Investment Activities:			
Disposal /(Acquisition) of Financial Assets Ready for Sale			
Tangible Fixed Assets Acquisition	**18**	(16.578.617)	(2.595.042)
Intangible Fixed Assets Acquisition	**19**	(2.771.980)	(212.233)
Increase in Other Non-Current Assets		0	0
Net Cash Used in Investing Activities:		**(19.350.597)**	**(2.807.275)**
Financial Activities:			
Dividend Paid	**27**	(13.701.310)	(14.925.582)
Interest Received		8.386.486	4.110.354
Interest Paid		(850.470)	(628.871)
Net Increase /(Decrease) In Bank Loans		26.498.400	(3.997.601)
Inflation Effects		0	0
Net Cash Provided From/(Used in) Financial Activities :		**20.333.106**	**(15.441.700)**
Net Increase In Cash and Cash Equivalents		**(36.301.125)**	**34.810.117**
Beginning Balance Of Cash and Cash Equivalents	**6**	83.541.967	48.731.850
Inflation Effects		0	0
Ending Balance of Cash and Cash Equivalents	**6**	**47.240.842**	**83.541.967**

The accompanying notes are integral parts of the consolidated financial statement.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS’ EQUITY

Audited	Notes	Registered Share Capital	Inflation Adjustment Differences of Shareholder’ Equity	Total Paid In Capital	Restricted Reserves From Profit	Special Reserves	Previous Years’ Profits / Losses	Period Profit	Total Shareholders' Equity of Parent Company	Minority Interest	EQUITY
As of January 1 ,2007:	**27**	**16.946.471**	**95.229.263**	**112.175.734**	**8.479.030**	**145.853**	**68.551.088**	**0**	**189.351.705**	**9.112**	**189.360.817**
Transfer of Previous Years’ Profit	**27**				4.205.611		(4.205.611)		**0**		**0**
Capital Increase	**27**	8.473.236	(8.327.383)	145.853		(145.853)			**0**		**0**
Income From Sales of Subsidiary Shares and Fixed Assets Held for Addition to Share Capital									**0**		**0**
Dividend Paid	**27**						(14.925.582)		**(14.925.582)**		**(14.925.582)**
Period Profit	**27**							25.206.414	**25.206.414**	1.008	**25.207.422**
As of December 31 ,2007:	**27**	**25.419.707**	**86.901.880**	**112.321.587**	**12.684.641**	**0**	**49.419.895**	**25.206.414**	**199.632.537**	**10.120**	**199.642.657**
Audited											
As of January 1 ,2008:	**27**	**25.419.707**	**86.901.880**	**112.321.587**	**12.684.641**	**0**	**49.419.895**	**25.206.414**	**199.632.537**	**10.120**	**199.642.657**
Transfer of Previous Years’ Profit	**27**				836.365		24.370.049	(25.206.414)	**0**		**0**
Capital Increase									**0**		**0**
Income From Sales of Subsidiary Shares and Fixed Assets Held for Addition to Share Capital									**0**		**0**
Dividend Paid	**27**						(13.701.310)		**(13.701.310)**		**(13.701.310)**
Period Profit	**27**							(468.404)	**(468.404)**	2.921	**(465.483)**
As of December 31 ,2008:	**27**	**25.419.707**	**86.901.880**	**112.321.587**	**13.521.006**	**0**	**60.088.634**	**(468.404)**	**185.462.823**	**13.041**	**185.475.864**

The accompanying notes are integral parts of the consolidated financial statements.

1 ORGANIZATION AND BUSINESS SEGMENT

Anadolu Isuzu Otomotiv Sanayi ve Ticaret Anonim Şirketi (The Company) was founded in 1980. Activities of the Company consist of producing, assembling, marketing, importing and exporting of primarily commercial vehicles and motor vehicles; all kinds of engines, machinery, and equipment, products and by-products of automotive industry and relevant spare parts, accessories and all other relevant machinery and installations as well as other operations stated in the Main Articles of Association. The company is registered to Capital Markets Board and 15 % of the Company's shares are being traded in Istanbul Stock Exchange since 1997.

The Company carries out its operations as a partnership formed by Isuzu Motors Ltd., Itochu Corporation and Anadolu Group Companies. The manufacturing operations are performed at Gebze/Kocaeli plant. The average number of employees as of December 31, 2008 is 803. (December 31, 2007: 752).

The Company's official address stated in Trade Registry is Ankara Asfaltı Soğanlık Köy Karşısı Kartal, ISTANBUL.

The Company's subsidiaries which are subject to consolidation as of December 31, 2008 and December 31, 2007 are as follows;

Name of the Subsidiary	**Field of Operation**	**Capital**	**Participation Rate %**
Ant Sınai ve Ticari Ürünleri Pazarlama A.Ş.	Trade of spare parts	716.000	99,44
Anadolu Isuzu Dış Ticaret ve San. A.Ş.	Trade	100.000	97,00

Hereafter, the Company and the subsidiaries will be referred as 'The Group' in the consolidated financial statements and notes to the financial statements.

2 PRINCIPLES RELATED TO THE PRESENTATION OF THE FINANCIAL STATEMENTS

2.01 Basic Principles For The Presentation

The Group maintains its books of account and prepares its statutory financial statements in accordance with the regulations of Capital Market Board (CMB) Law, Turkish Commercial Code, Tax Procedural Law and Uniform Chart of Accountants published by Ministry of Finance.

The accompanying consolidated financial statements of the Group were prepared in accordance with the communique Serie XI, No:29 "Comminuque on Financial Reporting at Capital Markets" which was declared by the CMB dated April 9, 2008 with No:26842.

This communique has become valid for the first interim financial statements after January 01, 2008. Based on 5th clause of this communique, companies applying International Accounting / Financial Reporting Standards (IAS/ IFRS) , which were accepted by European Union and financial statements are disclosed in notes appropriate to IAS/ IFRS.Turkish Accounting /Financial Reporting Standards which were published by Turkish Accounting Standards Board, are based and consistent with IAS/ IFRS.

Consolidated financial statements were prepared in accordance with the communique Serie XI, No:29 and notes to the consolidated financial statements were presented according to the format obliged by the CMB with the declaration dated April 14, 2008. For that reason, prior period financial statements reclassified accordingly.

According to the Board of Directors Meeting dated February 27, 2009 the Company's consolidated financial statements are approved and signed by General Manager Ömer Lütfü ABLAY and Finance Director Bekir TÖMEK for the year ended December 31, 2008.

2.02 Dealing with the Inflation Effects in Hyper-Inflationary Periods

According to the decision, dated March 17, 2005 with No:11/367, made by the Capital Market Board, the inflation accounting has been no longer effective as of 2005 and the accompanying financial statements has not been adjusted since January 1,2005. Nonmonetary values, which are in the accompanying financial statements, exist with valued as of December 31, 2004 in accordance with International Accounting Standards No. 29 "Financial Reporting on Hyper-Inflationist Economies".

2.03 Consolidation Principles

Subsidiaries are the companies, whose shares are held by the Company directly or indirectly through shares of other companies. As a result, the Company, with or without over 50% of voting right, has the power and authority to direct and control the management and policies of the subsidiary companies whether through the ownership of voting securities, by contract or otherwise.

Balance Sheet and Income statements of the subsidiaries are consolidated according to "full consolidation method" and book value and capital of the Company's subsidiary are adjusted accordingly. Transactions and balances between the Company and Subsidiaries are eliminated during consolidation.

Minority interests show minority shareholders' share in the subsidiaries' assets and result of operations for the related period. These details are to be expressed separately in consolidated balance sheet and Income Statement. If losses related to minority interest are over benefits from shares of a subsidiary and if there is no bounding liability to the minorities, in general, these losses related with the minorities result against to benefits of the minorities.

2.04 Comparative Information and Adjustment of the Previous Consolidated Financial Statements

The changes in classification of the consolidated financial statements of the current period are also applied to the consolidated financial statements relating to prior period, if necessary.

2.05 Offsetting

The financial assets and liabilities in the consolidated financial statements are shown at their net value when a legal granted permission, an intention of stating the consolidated financial statements with their net values and the financial asset and liabilities are arisen concurrently.

2.06 Changes in Accounting Policies

The changes to the current accounting policies can be performed if it is necessary or the changes will provide more appropriate and reliable presentation of the transactions and events related to the financial position, performance and the cash flow of the Group that affect the financial statements of the Company. If the changes in accounting policies affects the prier periods, policy is applied to the prier period financial statements as if it is applied before.

2.07 Changes in Accounting Estimates and Errors

The Group evaluates and presents circumstances and other similar operations and transactions, consistently on the financial statements. Significant changes in accounting policies and significant errors are applied backwards and prior financial statements are adjusted. If changes in accounting forecasts are related to only one period, amendments are made in the current period. If amendments are related to the forthcoming periods, changes are applied in both current period and forthcoming periods.

2.08 Summary of Significant Accounting Policies

2.08.01 Income

The Group recognizes income in accordance to the accrual basis, when the Group reasonably determine the income and economic benefit is probable. Group's income mainly consists of sales of commercial vehicles and spare parts of these vehicles. Net sales is calculated by deducting sales return and sales discounts from total sales.

Revenue related to the sale of goods, is recorded on the financial statements when all the followings are applied:

- The significant risks and the ownership of the goods are transformed to the customer ,
- Not to have an authority of the group on the goods sold and on the management,
- The revenue is measured reasonably,
- To be probable to get the economic benefits related to transaction by the Company,
- To be able to measure the costs related to transaction.

Interest income is accrued in current period based on the principal amount and the expected cash inflow of financial asset with the effective interest rate.

When there is a significant amount of cost of financing, the fair value is calculated by deducting the collections probable in the future with the embedded yield rate in the cost of financing. The differences between the fair value and the nominal value recorded as interest income according to the accrual basis.

2.08.02 Inventories

Inventories are reflected to the consolidated financial statements either at the lower of acquisition cost or net realizable value. Group's inventories consist of generally trucks, light trucks, busses and these vehicles' spare parts. The inventory cost is calculated according to monthly weighted "average cost method". While raw material, direct labor, other direct expenses and related general production expenses are included in the cost of finished and semi-finished goods, borrowing costs are not included in finished and semi-finished goods, costs. Net realizable value is computed by subtracting sales expenses from Group's sales price.

2.08.03 Tangible Fixed Assets

For Assets acquired in and after 2005, the tangible basis assets is reflected to the financial statements by deducting their accumulated depreciation from their cost. For assets that were acquired before January 01, 2005, the tangible fixed assets is presented on the consolidated financial statement based on their cost basis, which is adjusted according to the inflationary effects as of December 31, 2004. Depreciation is calculated using the straight-line method based on their economic lives. The following rates, determined in accordance with the economic lives of the fixed assets, are used in calculation of depreciation.

TYPE OF FIXED ASSET	DEPRECIATION RATES AS OF DECEMBER 31, 2008 (%)	DEPRECIATION RATES AS OF DECEMBER 31, 2007 (%)
Buildings	2-4	2-4
Machinery, Plant and Equipment	10-20	10-20
Furniture and Fixtures	10-20	10-20
Motor Vehicles	10-20	10-20
Land Improvements	5-6	5-6

Lands are not subject to depreciation since they have unlimited useful lives.If the carrying value of a tangible fixed asset is more than its expected net realizable value then the carrying value is reduced to its net realizable value by making the necessary provision.

The profit and loss arisen from fixed asset sales are determined by comparing the net book value with the sales price and the result is added to the operating profit or loss.

Maintenance and repair expenses are accounted as expense at their realization date. If the maintenance and repair expenses clearly improve the economic value or performance of the related asset then they are capitalized.

2.08.04 Intangible Assets

Intangible assets acquired before January 01, 2005 are carried at acquisition costs adjusted for inflation; whereas those purchased in the year 2005 and purchased after 2005 are carried forward at their acquisition cost less accumulated amortization.

Intangible fixed assets comprise of software rights and research & development expenses.

Amortization is calculated using the straight-line method based on their economic lives and not to exceed 5 years.

2.08.05 Impairment of Assets

The carrying value of non-current assets including, tangible and intangible fixed assets, are reviewed for impairment, when events or changes in circumstances indicate that the carrying value may not be recoverable. If the recoverable amount of an asset is below its carrying amount, impairment loss is recognized by making the necessary provision.

2.08.06 Research and Development Expenses

Research and development expenses are recorded as they are incurred. The research and development expense related to a project can be carried forward if the future realizable value is determinable and ensured. Any carried expense is depreciated over the period of expected sales of the project in the future.

2.08.07 Borrowings Costs

The borrowing costs are recognized as expense when they are incurred. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalized as part of the cost of that asset. The capitalization of borrowing costs as part of the cost of a qualifying asset shall commence, when expenditures and borrowing costs for the asset are incurred, continues until that asset becomes available for sale. Expenditures on a qualifying asset include only those expenditures that have resulted in payments of cash, transfers of other assets or the assumption of interest-bearing liabilities.

2.08.08 Financial Instruments

(i) Financial Assets

Financial investments are accounted based on the remaining amount after deducting expenditures, which can be directly related to acquisition, from fair market value, except financial assets whose fair value difference is reflected to the profit or loss and financial assets which are recorded with fair value.

Investments are recorded or taken out from records based on contracts, which include the delivery and timing requirements that is assessed by the relevant market.

Financial assets are classified as "financial assets, whose fair value differences are reflected to the profit or loss", "financial assets, which will be held to the maturity", financial assets available for-sale" and "loans and receivables".

Prevailing Interest Method

Prevailing interest method is the valuation of financial asset with their amortized cost and distribution of interest income to the relevant period. Prevailing interest rate is the rate, which discounts the estimated cash flow for the expected life of financial instrument or less, if it is possible, to net present value of relevant financial asset.

Income related to financial assets, except the financial assets whose fair value differences are reflected to the profit or loss, is calculated by using the prevailing interest rate.

a) Financial Assets Whose Fair Value Differences Are Reflected to the Profit or Loss

Financial assets whose fair value differences are reflected to the profit or loss, are the financial assets held for trading purposes. If a financial asset is acquired for sale purposes, it is classified in therein category. Also financial assets which embody derivative instruments which is not determined as a hedging instrument against to the financial risk, are classified as financial assets whose fair value differences are reflected to the profit or loss. Assets placed in this category, are classified as current assets.

b) Financial Assets Which Will Be Held to the Maturity

Debt instruments that have possibility to be held to the maturity, have fixed or determinable payment arrangement are classified as investments held to the maturity. Financial asset which will be held to the maturity, are recorded after deducting impairment from cost basis, which is amortized by using prevailing interest method and relevant income is calculated by using prevailing interest method.

c) Financial Assets Available-For-Sale

Financial assets which are available-for-sale include (a) financial assets, which will not be held to the maturity and (b) financial assets, which are not held for trade purposes. Financial assets are evaluated with their fair value if they are measured reliably after they are recorded. Marketable securities are shown with their cost basis if its value can not be measured reliably and have no active market. Profit or loss related to financial assets which are available-for-sale is not place in the relevant period's income statement. The changes in fair value of these kinds of assets are shown in equity accounts. The amount in equity accounts is transferred to the income statement as profit or loss if relevant asset is disposed or there is impairment. Provision for impairment arisen from investments through equity instruments classified as a financial asset which are available-for-sale and accounted in the income statement, can not be cancelled from income statement in next periods. Except equity instruments classified as available-for-sale, if impairment loss decreases in next period and if therein decreasing can be related to an event occurred after the accounting of impairment loss, impairment loss accounted before, can be cancelled in income statement.

d) Loans and Receivables

Trade and other receivables and loans which is not effective at market and have fixed and assessable payments, are classified in this category. Loans and receivables are shown by deducting the impairment from cost discounted by using prevailing interest method. If interests on loans and receivables are minor, registered value of loans and receivables are adopted as reasonable value.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indication of impairment at each balance sheet date. Financial assets are impaired, where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced with the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are reversed against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

With the exception of available for sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Increase in the fair value of equity instruments which are available-for-sale after impairment, are accounted in equity directly.

Cash and Cash Equivalents

Cash and cash equivalents are cash, demand deposit and other short-term investments which their maturity dates are 3 months or less as of acquisition date, have high liquidation, have no significant risk of impairment and are able to be converted to the cash.

(ii) Financial Liabilities

Financial liabilities and equity instruments are classified based on arrangements according to the agreement, and definition of financial liability and equity instrument. Agreement which embodies right of assets after deducting all the liabilities, is a financial instrument based on equity. Accounting policies for the financial liabilities and the financial instruments based on equity are determined below.

Financial liabilities are classified as financial liabilities whose fair value differences are reflected to the profit /(loss) or other financial liabilities.

a) Financial Liabilities Whose Fair Value Differences Are Reflected to the Profit /(Loss)

Financial liabilities whose fair value differences are reflected to the profit /(loss) are recorded with fair value and are re-evaluated with fair value at balance sheet date in every reporting period. Changes in fair values are accounted on the income statement. Net earnings and losses accounted on the income statement include interest paid for therein financial liability.

b) Other Financial Liabilities

Other financial liabilities are initially accounted with their fair value by deducting transaction costs.

Other financial liabilities are accounted with cost basis which amortized by using prevailing interest method and with interest expense calculated on prevailing interest rate in next periods. If interests on other financial liabilities are minor, registered value of liabilities are adopted as a reasonable value.

Prevailing interest method is to calculate the amortized costs of financial liability and to distribute the interest expense to the relevant period. Prevailing interest rate is the rate, which discounts the appraised cash payments in the future during the expected life of financial instrument, to the net present value of relevant financial liability.

(iii) Derivative Financial Instruments

Derivative financial instruments are initially recorded with fair value and evaluated with fair value in next periods. The Group sometimes uses derivative instruments to minimize the risks arisen from liabilities in foreign exchange.

2.08.09 Effects of Currency Fluctuations

All transactions denominated in foreign currencies are translated into TL at the actual rates of exchange ruling at the dates of the transactions. All foreign currency denominated monetary assets and liabilities stated at the balance sheet are translated into TL with the exchange rates of ruling at the date of the balance sheet. Foreign exchange differences arising from the above-mentioned translations and valuations are reflected to the statement of income.

2.08.10 Earnings per Share

Earnings/Losses per share are calculated by dividing net income/loss available to common shareholders by the weighted average number of common shares outstanding for the period

In Turkey, Companies are allowed to increase the capital with bonus shares which were distributed from retained earnings to the shareholders. Those bonus shares are accepted as issued share at calculating the net earnings per share.Accordingly weighted average number of common shares used at calculating net earnings per share, is calculated by applying bonus share backward.

2.08.11 Events after the Balance Sheet Date

The Group is responsible to adjust the amounts reflected to the financial statements in the adequate form to the new situtation if the events needed adjustment after the balance sheet date occurs. The events which do not need an adjusment, are explained to the notes of financial statements if the events affect the economic decisions of the users of the financial statements as of balance sheet date.

2.08.12 Provisions, Contingent Liabilities and Assets

A provision is recognized when an entity has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and reliable estimate can be made of the amount of the obligation Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. The discount rate (or rates) is a pre-tax rate (or rates) that reflect(s) current market assessments of the time value of money and the risks specific to the liability. The increase in provisions arisen from time differences is recorded as interest expense in case of discounting. Future events that may affect the amount required to settle an obligation shall be reflected in the amount of a provision where there is sufficient objective evidence that they will occur. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities and assets are not reflected to consolidated financial statements but disclosed in the notes to the consolidated financial statements. The entity recognizes a provision for the part of the obligation, for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made.

2.08.13 Leases

The Group as Lessee

Finance Leases

When the fixed assets are obtained with financial leasing and the possession of these fixed assets are transferred to the Group together with all significant risks and benefit at the end of the lease term, these assets are recorded with the lesser of current value as of lease-commencement date and present value of the minimum lease payments as of balance sheet date.

The liability arising from a financial leasing transaction is separated into interest payable and principal debt in order to determine a fixed interest rate on the remaining balance. The costs and expenses incurred at the initial acquisition of the fixed asset subject to financial leasing are added to the cost. The fixed assets obtained through financial leasing are subject to depreciation over their estimated useful lives.

Operating Leases

Lease agreements in which the lessor retains all the risks and benefits relating to the good are described as operational leasing. Lease payments made for an operational leasing are recorded as expense according to normal method throughout the lease term.

The Group as Lessor

Operating Leases

The Group presents assets subject to operating leases in their balance sheet according to the nature of the asset. Lease income from operating leases is recognized as income according to the normal method. The initial direct costs incurred during operational leasing are reflected to income statement as expense.

2.08.14 Related Party Disclosures

The shareholders' of the Group; Anadolu Group of Companies and its directors and other companies directly or indirectly controlled by Anadolu Group are considered related parties. The transactions with related parties are disclosed in the notes to the consolidated financial statements.

2.08.15 Government Grants and Assistance

Government grants are not recognized until there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received. Government grants are recognized as income over the periods necessary to match them with the related costs, which they are intended to compensate, on a systematic basis.

2.08.16 Investment Property

None.

2.08.17 Taxation and Deferred Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that may arise from which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognized as an expense or income to the income statement, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in the equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities over cost.

Taxes on financial statements contain changes in current period taxes and deferred tax. Group calculates current period tax and deferred tax based on period results.

Offsetting in Taxation

Corporate tax amounts are related to prepaid corporate tax amounts and these amounts are offsetting in financial statements. Deferred tax assets and liabilities are also offsetting in financial statements.

2.08.18 Retirement Pay

According to Turkish Labour Law, employee termination benefit is reflected to financial tables when the termination indemnities are deserved. Total provision reflects the probable net present value that will be paid if all employees retire.

2.08.19 Statement of Cash Flow

Cash and cash equivalents are stated at fair value in the balance sheet. The cash and cash equivalents comprises cash in hand, bank deposits and highly liquid investments.

On cash flow statement, the Group reports period's cash flows as investment and financial activities classification.

Cash inflow provided from operating activities denotes cash inflow provided from main activities of the Group.

Cash flow concerned with investment activities shows cash used and provided from investment activities (asset investments and financial investments).

Cash flow concerned with investment activities shows sources used from financial activities and back pay of these sources.

2.08.20 New and Revised International Financial Reporting Standarts

The Group has adopted the applicable standards, which have become effective as of January 1, 2008 and were issued by the International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC"), which are in consistent with its line of business.

The following mandatory standards and the revisions made to the existing standards and their interpretations are not applicable as they are not related to the Company's line of business, thus not adopted in the financial statements for the fiscal period beginning on January 1, 2008:

- IFRIC Interpretation 11 , "IFRS 2: Group and Treasury Share Transactions"
- IFRIC Interpretation 12, "Service Concession Arrangements"
- IFRIC Interpretation 14, " IAS 19: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"

<u>A number of new standards, amendments to standards and interpretations are not yet effective at December 31, 2008 and have not been applied in preparing these financial statements:</u>

IAS 23, " (Revised) Borrowing Costs"	The amendment is effective for annual periods beginning on or after 1 January 2009.

IFRS 8, "Operating Segments"	The amendment is effective for annual periods beginning on or after 1 January 2009.
IFRIC 13, "Customer Royalty Programs"	The interpretation is effective for annual periods beginning on or after 1 July 2008.
IFRIC 15, "Agreements for the Construction of Real Estate"	The interpretation is effective for annual periods beginning on or after 1 January 2009.
IFRIC 16, "Hedges of a Net Investment in a Foreign Operation"	The interpretation is effective for annual periods beginning on or after 1 November 2008.
IFRS 2, "Share-based Payment" – *Amended for Vesting Conditions and Cancellations*	The amendment is effective for annual periods beginning on or after 1 January 2009.
IFRS 3, "Business Combinations"	The amendment is effective for annual periods beginning on or after 1 July 2009.
IAS 27, "Consolidated and Separate Financial Statements"	The amendment is effective for annual periods beginning on or after 1 January 2009.
IAS 28, "Investments in Associates"	The amendment is effective for annual periods beginning on or after 1 January 2009.
IAS 31, "Interests in Joint Ventures" – Amended for	The amendment is effective for annual periods beginning on or after 1 January 2009.
IAS 1, "Presentation of Financial Statements"	The amendment is effective for annual periods beginning on or after 1 January 2009.
IAS 32, "Financial Instruments: Presentation" - *Amended for Puttable Instruments and Obligations Arising on Liquidation*	The amendment is effective for annual periods beginning on or after 1 January 2009.
IAS 1, "Presentation of Financial Statements" *Amended for Necessity of Income Statement Reflected to Shareholders' Equity Directly*	The amendment is effective for annual periods beginning on or after 1 January 2009.
IAS 39, "Financial Instruments: Recognition and Measurement" – *Amended for Eligible Hedged Items.*	The amendment is effective for annual periods beginning on or after 1 January 2009.

The management of the Group believes that the amendments and the interpretations are not expected to have any effect on the financial statements.

3 BUSINESS COMBINATIONS

None.

4 BUSINESS ASSOCIATIONS

None.

5 REPORTING FINANCIAL INFORMATION BY SEGMENTS AND GEOGRAPHIC AREAS

The Group has not reported financial instruments by segments and geographic areas as the group operates in Turkey and automotive sector. Whereas, in concerning notes there are information about domestic and foreign sales amounts by product groups of production and sales.

6 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents for the periods ended are as follows:

	December 31, 2008	**December 31, 2007**
Cash	37.144	45.268
Bank (Demand Deposits)	2.703.359	2.747.622
Bank (Time deposits with maturity up to 3 months)	44.050.006	79.870.883
Marketable Securities	0	257.773
Other Liquid Assets **(*)**	497.826	1.025.769
Total	**47.288.335**	**83.947.315**

(*) Other liquid assets are anticipated collection from direct debit system.

Cash and cash equivalents at the consolidated cash flow statement as of December 31, 2008 and December 31, 2007 is as follows:

	December 31, 2008	**December 31, 2007**
Liquid Assets	47.288.335	83.947.315
Accrual of Interest (-)	(47.493)	(405.348)
Total (Except Accrual of Interest)	**47.240.842**	**83.541.967**

Time deposits position is as follows:

	December 31, 2008		**December 31, 2007**	
	Amount in TL	**Annual Interest Rate (%)**	**Amount in TL**	**Annual Interest Rate (%)**
TL	5.887.888	14,50-22,25	36.606.477	12,96 – 16,19
USD	2.498.821	8	4.719.631	3,91-4,46
EUR	35.663.297	1,50-8	38.544.775	3,95-4,25
Total	**44.050.006**		**79.870.883**	

There is no time deposit longer than 1 month and interest rates are constant.

TL 45.056.143 of time and demand deposits are in banks as related parties as of December 31, 2008 (December 31, 2007: TL 60.811.048)

7 FINANCIAL INVESTMENTS

The balances of investment in associates as the period ends are as follows;

Company	December 31, 2008		December 31, 2007	
	Share Amount	Share Ratio (%)	Share Amount	Share Ratio (%)
Efestur AŞ.	1.621	2,50	1.621	2,50
Anadolu Otomotiv Dış Ticaret A.Ş.	2.277	2,00	2.277	2,00
Total	**3.898**		**3.898**	

8 FINANCIAL LIABILITIES

	December 31, 2008	December 31, 2007
Bank Loans	41.104.800	14.606.400
Accrual of Interest	918.614	376.776
Total	**42.023.414**	**14.983.176**

December 31, 2008					December 31, 2007				
Amount	Currency	Maturity	Interest Rate	TL	Amount	Currency	Maturity	Interest Rate	TL
8.500.000	Euro	17.07.2009	6,63	18.756.194	2.000.000	Euro	06.06.2008	5,19	3.539.363
5.000.000	Euro	22.10.2009	8,92	10.892.413	1.500.000	Euro	11.06.2008	5,20	2.653.553
5.000.000	Euro	11.11.2009	10,71	10.866.376	5.000.000	Euro	23.07.2008	5,16	8.790.260
250.000	TL	01.12.2009	17,50	253.525	-	-	-	-	-
250.000	TL	01.12.2009	17,50	253.281	-	-	-	-	-
250.000	TL	21.12.2009	18	250.875	-	-	-	-	-
250.000	TL	23.12.2009	18	250.375	-	-	-	-	-
250.000	TL	24.12.2009	18	250.250	-	-	-	-	-
250.000	TL	25.12.2009	18	250.125	-	-	-	-	-
Total				**42.023.414**					**14.983.176**

Bank loans have been used for meet with short- term working capital needs and there is no long- term financial liability.

9 OTHER FINANCIAL LIABILITIES

None.

10 TRADE RECEIVABLES AND PAYABLES

Trade receivables for the periods ended December 31, 2008 and December 31, 2007 are as follows;

	December 31, 2008		December 31, 2007	
	Short -Term	Long- Term	Short -Term	Long -Term
Trade Receivables	71.988.469	0	89.053.435	0
Trade Receivables from Related Parties	1.240.396	0	4.557.386	0
Notes Receivable	187.500	0	585.000	0
Checks Received	174.588	0	506.179	0

Doubtful Receivables	333.324	0	337.120	0
Provision for Doubtful Receivables(-)	(333.324)	0	(337.120)	0
Rediscount on Checks s and Notes Receivables (-)	(4.162)	0	(92.032)	0
Export Sales VAT Debtors	0	0	0	21.862
Total	**73.586.791**	**0**	**94.609.968**	**21.862**

Trade payables for the periods ended December 31,2008 and December 31, 2007 are as follows;

Account Name	**December 31, 2008**	**December 31, 2007**
Trade Payables	42.166.409	33.327.866
Trade Payables from Related Parties	72.383.930	39.782.051
Rediscount on Notes Payable	(157.177)	(87.459)
Total	**114.393.162**	**73.022.458**

Alacaklara karşılık olarak alınan teminatların niteliği ve tutarları aşağıdaki gibidir.

Type	**December 31, 2008**	**December 31, 2007**
Guarantee Letters	33.401.943	31.678.505
Guarantee Notes	2.373.273	3.278.160
Mortgages	816.220	1.200.795
Bailment's (*)	51.107.000	49.650.000
Total	**87.698.436**	**85.807.460**

(*) As of December 31, 2008 The Group has TL 51.107.000 limit for direct debit system , which is provision for receivables, is shown under Bailment. (As of December 31, 2007: TL 49.650.000).

11 OTHER RECEIVABLES AND PAYABLES

Other Receivables

	December 31, 2008		**December 31, 2007**	
	Short Term	**Long Term**	**Short Term**	**Long Term**
Receivables from Government Authorities (*)	8.274.219	0	2.396.414	0
Receivables from Employees	136.763	0	119.459	0
Deposits and Guarantees Given	4.050	99.749	0	76.785
Total	**8.415.032**	**99.749**	**2.515.873**	**76.785**

(*) The amount of 2.056.162 TL of receivables from government authorities is VAT returns receivable and , 6.168.496 TL is pre-paid corporate tax receivables as of December 31,2008

The Group has applied for VAT Return concerning the Group's export belonging to 2006 and 2008 has demanded to deduct VAT Return Receivable from the tax liabilities.

Other Payables

Account Name	**December 31, 2008**	**December 31, 2007**
Due to Shareholders	12.330	9.987
Due to Personnel	330.643	563.359

Advances Received	52.404	1.104.629
Taxes and Funds Payable	1.746.344	5.338.953
Social Security Premiums Payable	802.749	826.938
Taxes to be Deducted	656.820	2.142.451
Other Miscellaneous Debts and Payables	10.741	1.021
Total	**3.612.031**	**9.987.338**

12 RECEVIABLES AND PAYABLES FROM / TO FINANCIAL OPERATIONS

None.

13 INVENTORIES

Inventories for the periods ended are as follows:

Account Name	**December 31, 2008**	**December 31, 2007**
Raw Materials	25.947.260	27.212.220
Semi-finished Goods	3.331.225	3.495.610
Finished Goods	82.031.276	17.680.596
Commercial Goods	13.963.318	10.091.127
Other Inventories	517.323	523.743
Advances Given	13.688.276	3.674.398
Total Inventories	**139.478.678**	**62.677.694**

14 BIOLOGICAL ASSETS

None.

15 CONSTRUCTION CONTRACTS IN PROGRESS

None.

16 INVESTMENTS EVALUATED BY EQUITY METHOD

None.

17 INVESTMENT PROPERTIES

None.

18 TANGIBLE FIXED ASSETS

	Lands	Land Improvements	Buildings	Machinery Plant and Equipments	Motor Vehicles	Furniture& Fixtures	Other Tangible Fixed Assets	Construction Progress and Advances	TOTAL
Cost Value									
Opening Balance For January 01, 2008	**2.427.379**	**7.478.665**	**62.432.181**	**112.518.054**	**2.558.406**	**2.732.365**	**836.948**	**0**	**190.983.998**
Purchases		14.164	10.319	4.365.151	2.054.537	69.547		10.064.899	16.578.617
Sales			(4.024)	(2.205)	(938.672)		(279)		(945.180)
Transfer From C.I.Progress		81.903	80.771	8.585.654				(8.748.328)	0
Net Book Value for December 31, 2008	**2.427.379**	**7.574.732**	**62.519.247**	**125.466.654**	**3.674.271**	**2.801.912**	**836.669**	**1.316.571**	**206.617.435**
Accumulated Depreciation									
Opening Balance For January 01, 2008	**0**	**(6.136.323)**	**(23.289.507)**	**(92.078.302)**	**(1.147.336)**	**(2.367.784)**	**(836.948)**	**0**	**(125.856.200)**
Expense For The Period		(108.407)	(2.412.472)	(8.961.492)	(611.831)	(106.106)			(12.200.308)
Sales			2.777	2.205	445.413		279		450.674
Net Book Value for December 31, 2008	**0**	**(6.244.730)**	**(25.699.202)**	**(101.037.589)**	**(1.313.754)**	**(2.473.890)**	**(836.669)**	**0**	**(137.605.834)**
Net Book Value									
Net Book Value for January 01, 2008	**2.427.379**	**1.342.342**	**39.142.674**	**20.439.752**	**1.411.070**	**364.581**	**0**	**0**	**65.127.798**
Net Book Value for December 31, 2008	**2.427.379**	**1.330.002**	**36.820.045**	**24.429.065**	**2.360.517**	**328.022**	**0**	**1.316.571**	**69.011.601**

19 INTANGIBLE FIXED ASSETS

	Rights	Foundation And Establishment Expenses	Research Development Expenses	Leasehold Improvements	Other Intangible Fixed Assets	Constructions In Progress And Advances	TOTAL
Cost Value							
Opening Balance For January 01, 2008	**31.996**	**18.177**	**0**	**654.843**	**731.772**	**0**	**1.436.788**
Purchases	9.959		2.520.752		241.269		2.771.980
Sales							**0**
Transfers From C.I.Progress							**0**
Net Book Value For December 31, 2008	**41.955**	**18.177**	**2.520.752**	**654.843**	**973.041**	**0**	**4.208.768**
Accumulated Amortization							
Opening Balance For January 01,2008	**(1.275)**	**(14.844)**	**0**	**(295.942)**	**(495.061)**	**0**	**(807.122)**
Expense For The Period	(2.415)	(3.333)	(42.558)	(129.797)	(149.844)		(327.947)
Sales							**0**
Net Book Value For December 31, 2008	**(3.690)**	**(18.177)**	**(42.558)**	**(425.739)**	**(644.905)**	**0**	**(1.135.069)**
Net Book Value							
Net Book Value For January 01, 2008	**30.721**	**3.333**	**0**	**358.901**	**236.711**	**0**	**629.666**
Net Book Value For December 31, 2008	**38.265**	**0**	**2.478.194**	**229.104**	**328.136**	**0**	**3.073.699**

20 GOODWILL

Goodwill	Cost Value	Accumulated Amortization	Net Book Value
Opening Balance as of January 01, 2008	**3.916.806**	**(1.575.811)**	**2.340.995**
Additions			
Ending Balance at December 31, 2008	**3.916.806**	**(1.575.811)**	**2.340.995**

21 GOVERNMENT GRANT AND ASSISTANCE

The projects ,which were executed by the Group ,has been found appropriate to benefit from the specified Research Development Discount according to the notice of Revenue Administration dated 17.02.2006 with the number 10378.

TL 749.077 cash support had recieved from the Scientific and Technological Research Council of Turkey (TUBITAK) and an additional TL 1.125.049 cash support had received from Support and Price Stabilization Fund related to research and development expenses during the year of 2008, totally TL 1.874.126 had received.

In the year of 2008, Group's R&D expenses which are within the context of R&D allowance are amounted to TL 3.694.789. 100 % of this amount recorded as R&D allowance, in accordance with numbered 5746 on April 1,2008 R&D Activity Support Law's 35th article changes. (31.12.2007: TL 752.256)

22 PROVISIONS, CONTINGENT LIABILITIES AND ASSETS

Provisions For Expenses and Liabilities (Short - Term)	December 31, 2008	December 31, 2007
Warranty Provisions	4.193.926	3.186.118
Provisions for Forward Transactions Commission and Other Expenses	0	2.277.262
Legal Expense Provision	150.000	0
Wages Provision as per Labor Union Agreement	411.783	0
Provision for Expense of Sales	0	273
Water Expenses Provision	2.959	0
Communication Expenses Provision	580	0
Total	**4.759.248**	**5.463.653**

Lawsuits Against the Group;
Total amount of initiated law suits against the group, which has not been resulted until the balance date, is TL 285.502 (as of December 31, 2007 TL 405.000). Amount of provisions concerned with these lawsuits is TL 150.000.

Mortgages and Guarantees on Assets;
There are no mortgages or guarantees on assets of the company.

Total Insurance Coverage on Assets;
December 31, 2008

Type of Asset Insured	Insuring Company	Insurance Amount	Insurance Beginning Date	Insurance Ending Date
Buildings and their Interior (Kartal)	Allianz Sigorta A.Ş.	21.793.344 (EUR 10.180.000)	31.12.2008	31.12.2009
Buildings and their Interior (Şekerpınar)	Allianz Sigorta A.Ş.	146.396.467 (EUR 68.384.000)	31.12.2008	31.12.2009
Electronical Equipment	Allianz Sigorta A.Ş.	1.837.470 (EUR 858.310)	31.12.2008	31.12.2009
Commercial Goods	Allianz Sigorta A.Ş.	128.448.000 (EUR 60.000.000)	31.12.2008	31.12.2009
Commercial Goods (Ant A.Ş.)	Allianz Sigorta A.Ş.	750.000	31.12.2008	31.12.2009
Cash and Cheques (Theft / Fire)	Allianz Sigorta A.Ş.	941.952 (EUR 440.000)	31.12.2008	31.12.2009
Cash in Transfer	Allianz Sigorta A.Ş.	1.284.480 (EUR 600.000)	31.12.2008	31.12.2009
Total		**301.451.713**		

December 31, 2007

Type of Asset Insured	Insuring Company	Insurance Amount	Insurance Beginning Date	Insurance Ending Date
Buildings and their Interior (Kartal)	Anadolu Sigorta A.Ş.	17.493.312 (EUR 10.180.000)	31.12.2007	31.12.2008
Buildings and their Interior (Şekerpınar)	Anadolu Sigorta A.Ş.	112.232.141 (EUR 65.312.000)	31.12.2007	31.12.2008
Electronical Equipment	Anadolu Sigorta A.Ş.	1.513.481 (EUR 880.750)	31.12.2007	31.12.2008
Commercial Goods	Anadolu Sigorta A.Ş.	94.512.000 (EUR 55.000.000)	31.12.2007	31.12.2008
Commercial Goods (Ant A.Ş.)	Anadolu Sigorta A.Ş.	750.000	31.12.2007	31.12.2008
Cash and Cheques (Theft / Fire)	Anadolu Sigorta A.Ş.	1.512.192 (EUR 880.000)	31.12.2007	31.12.2008
Cash in Transfer	Anadolu Sigorta A.Ş.	1.031.040 (EUR 600.000)	31.12.2007	31.12.2008
Total		**229.044.166**		

The total amounts of commitments not presented in the liabilities of the balance sheet are as follows:

	December 31, 2008		December 31, 2007	
Type	Amount in Foreign Currency	Amount in TL	Amount in Foreign Currency	Amount in TL
Letters Of Guarantee	-	6.307.950	-	13.971.359
Letter of Credit Commitment	1.594.123.532 JPY	26.672.875	1.186.180.537 JPY	12.273.410
	180.570 EUR	386.564	328.305 EUR	564.159
	173.940 USD	263.049	3.984.468 USD	4.663.023
Forward Transaction Commitments	8.269.156 EUR	16.481.020	15.000.000 USD	17.554.500
	985.000.000 JPY			
Total		**50.111.458**		**49.026.451**

As Group's assets and liabilities in foreign currencies denominated in different foreign currencies, there is a parity risk. Therefore, the Group takes into consideration the derivative instruments and transaction for the purpose of hedging itself against the parity risk. As a part of hedging against the exchange rate risk, the Group applies to forward contracts.

23 COMMITMENTS

None.

24 EMPLOYEE TERMINATION BENEFITS

In accordance with existing social legislation, the Company is required to make lump-sum termination indemnities to each employee who worked more than one year and whose employment agreement has been terminated or whose retired, who deserves retirement right (for women at 58 years old, for men at 60 years old) after completing 25 working years (20 years for women), and also for the ones called for military service or died.

The termination benefit payable is amounted of to one-month salary per year. This amount as of balance date is limited to TL 2.173,19 as of December 31, 2008 and balance date. (December 31, 2007: YTL 2.030, 19)

Since there is no legal obligation for funding the termination benefit liability, there exists no special fund shown in the financial tables.

According to IAS 19, for the liability of termination indemnities related to the future periods , a convenient discount rate and inflation expectation must be determined to obtain a real discount as a result of offsetting them.This discount rate should be used in the calculation of bringing termination indemnities payable in the future to present value as of balance date.

The estimated value of the termination indemnities, which will be not paid due to the voluntary leaves, should also be taken into consideration.

	December 31, 2008	**December 31, 2007**
Discount rate (%)	6,26	5,71
Estimated turn over rate for retirement (%)	2	2

As a result; as of December 31, 2008, amounting to TL 7.195.313 (December 31, 2007: TL 6.481.154) was calculated by estimating the present value of the liability and therefore; provision for retirement payment was made and reflected to the consolidated financial statements.

The movement of Employee Termination Benefit is as follows;

	December 31, 2008	**December 31, 2007**
Provision as of January 1	6.481.154	5.754.956
Expense for the Period / Change	714.159	726.198
At The End Of The Period	**7.195.313**	**6.481.154**

25 RETIREMENT BENEFIT PLANS

None.

26 OTHER CURRENT/NON CURRENT ASSETS AND SHORT/LONG - TERM LIABILITIES

Other Current Assets

Account Name	**December 31, 2008**	**December 31, 2007**
Deferred VAT	14.173.249	11.926
Prepaid Expenses	851.120	1.045.287
Income Accruals	979.051	0
Other Current Assets	112.768	5.796
Total	**16.116.188**	**1.063.009**

Other Non-Current Liabilities

Account Name	**December 31, 2008**	**December 31, 2007**
Prepaid Expenses for the Following Years	0	42
Total	**0**	**42**

Other Liabilities (Net)

Account Name	December 31, 2008	December 31, 2007
Income Relating to Future Months	378.838	379.876
Total	**378.838**	**379.876**

Other Non-Current Liabilities

Account Name	December 31, 2008	December 31, 2007
Incomes Relating To Future Years	674.002	1.052.839
VAT to be Cancelled	0	21.862
Total	**674.002**	**1.074.701**

27 SHAREHOLDERS' EQUITY

Minority Shares / Minority Shares Profit - (Loss)

Account Name	December 31, 2008	December 31, 2007
Minority Shares	13.041	10.120
Total	**13.041**	**10.120**

Account Name	December 31, 2008	December 31, 2007
Minority Shares Profit - (Loss)	2.921	1.008
Total	**2.921**	**1.008**

Capital / Share Capital / Elimination Adjustments

As of December 31, 2008 , Company's Capital is formed from 2.541.970.654 shares which has nominal valued for each 1Kr. Company is not included in registered capital system.

The share capital shown in the consolidated balance sheet is the share capital of the Company. The amounts of share capital of the subsidiaries and the subsidiary account are eliminated mutually.

The shareholder's holding the capital as of December 31, 2008 and December 31, 2007 is as follows;

NAME	December 31, 2008		December 31, 2007	
	SHARE (%)	AMOUNT	SHARE (%)	AMOUNT
Yazıcılar Holding A.Ş.	35,71	9.077.665	35,71	9.077.665
Isuzu Motors Limited/Tokyo	16,99	4.319.991	16,99	4.319.991
Özilhan Sınai Yatırım A.Ş.	16,81	4.271.842	16,81	4.271.842
Itochu Corporation/Tokyo	9,46	2.405.286	9,46	2.405.286
Other	21,03	5.344.923	21,03	5.344.923
Total	**100,00**	**25.419.707**	**100,00**	**25.419.707**

Current Period

	December 31, 2008
Share capital	25.419.707
Shareholders' Equity Inflation Adjustment Differences	86.901.880
Restricted Reserves From Profit	13.521.006
Retained Earnings	60.088.634
Net Profit For The Period	(468.404)
Parent Company Shareholders' Equity	**185.462.823**
Minority Interests	**13.041**
Total Shareholders' Equity	**185.475.864**

Previous Period

	December 31, 2007
Share capital	25.419.707
Shareholders' Equity Inflation Adjustment Differences	86.901.880
Restricted Reserves From Profit	12.684.641
Retained Earnings	49.419.895
Net Profit For The Period	25.206.414
Parent Company Shareholders' Equity	**199.632.537**
Minority Interests	**10.120**
Total Shareholders' Equity	**199.642.657**

Restricted Reserves from Profit

The restricted reserves from profits are consisting of legal reserves.

	December 31, 2008	**December 31, 2007**
Legal Reserves	12.071.615	11.235.250
Profit Reserves of Sales from Affiliates	1.449.390	1.449.390
Profit of Cancelled Shares	1	1
Total	**13.521.006**	**12.684.641**

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The TCC stipulates that the first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group's historical paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the historical paid-in share capital. Under TCC, the legal reserves are not available for distribution unless they exceed 50% of the historical paid-in share capital but may be used to offset losses in the event that historical general reserve is exhausted.

Total restricted reserves from the profit of the group's financial statements are TL 13.521.006, as of December 31, 2008. (December 31, 2007: TL 12.684.641)

Previous Years' Profits / (Losses)

Profits of previous years consist of extraordinary reserves, miscellaneous inflation differences and profits of other previous years.

	December 31, 2008	December 31, 2007
Extraordinary Reserves	31.706.553	21.037.814
Inflation Difference of Extraordinary Reserves	3.300.229	3.300.229
Inflation Difference of Legal Reserves	25.081.046	25.081.046
Inflation Difference of Cancelled Shares' Profit	806	806
Other Retained Earnings	0	0
Total	**60.088.634**	**49.419.895**

In accordance with the CMB's decision numbered 7/242 on 25 February, 2005; if the amount of net distributable profit based on the CMB's requirement on the minimum profit distribution arrangements, which is computed over the net profit determined based on the CMB's regulations, does not exceed the net distributable profit in the statutory accounts, the whole amount should be distributed, otherwise, all distributable amount in the statutory accounts are distributed. However, no profit distribution would be made if any financial statements prepared in accordance with the CMB or any statutory accounts contain net loss for the period.

In accordance with the CMB's decision numbered 2/53 on January 18, 2007, at least 20% of the distributable profit must be distributed regarding the profit. Dividend distribution based on the General Assembly's resolution can be made either by cash, bonus issues or cash and bonus shares in part provided that the distributable amount will not be less than 20 % of the distributable profit.

During the year 2007, the Group has distributed dividend with a total amount of TL 14.925.582 from the year 2006 consolidated net profit and during the year 2008, TL 13.701.310 from the year 2007 consolidated net profit.

28 SALES AND COST OF SALES

Sales	**December 31, 2008**	**December 31, 2007**
Domestic Sales	419.165.592	434.248.831
Foreign Sales	115.918.666	70.709.141
Other Sales	4.828.162	2.787.245
Discounts	(43.148.541)	(34.139.913)
Income From Sales (Net)	**496.763.879**	**473.605.304**
Cost Of Sales	**(418.642.111)**	**(388.763.262)**
Gross Operating Profit/Losses	**78.121.768**	**84.842.042**

Production Quantities

PRODUCT	**2008/12 Production Qty.**	**2007/12 Production Qty.**	**Change**
Trucks	3.469	2.930	18%
Light Trucks	3.796	2.984	27%
Busses	2.743	1.928	42%
TOTAL	**10.008**	**7.842**	**28%**

Sales Quantities

PRODUCT	2008/ 12 Sales Qty.			2007/ 12 Sales Qty.			Change
	Domestic Sales	Export Sales	Total	Domestic Sales	Export Sales	Total	
Trucks	2.512	10	2.522	3.119	23	3.142	-20%
Light Trucks	3.096	-	3.096	3.155	-	3.155	-2%
Busses	1.513	1.032	2.545	1.575	727	2.302	11%
Sales Out of Production	**7.121**	**1.042**	**8.163**	**7.849**	**750**	**8.599**	**-5%**
Commercial Trucks	3.005	-	3.005	2.941	-	2.941	2%
Sales of Commercial Trucks	**3.005**	**-**	**3.005**	**2.941**	**-**	**2.941**	**2%**
TOTAL	**10.126**	**1.042**	**11.168**	**10.790**	**750**	**11.540**	**-3%**

29 RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES

Account Name	December 31, 2008	December 31, 2007
a) Research And Development Expenses		
Personnel Expenses	(1.633.769)	(2.864.930)
Product Quality Development Expenses	(1.106.795)	(1.051.205)
Amortization and Depreciation Expenses	(562.385)	(311.418)
Other	(1.542.496)	(1.635.967)
Total Research And Development Expenses	**(4.845.445)**	**(5.863.520)**
b) Sales, Marketing and Distribution Expenses		
Domestic Sales Expenses	(18.016.805)	(15.565.878)
Export Expenses	(6.566.290)	(3.797.752)
Personnel Expenses	(5.387.313)	(4.642.567)
Advertising Expenses	(7.264.927)	(5.238.194)
Warranty Expense Provision	(1.007.808)	(1.043.211)
Amortization and Depreciation Expenses	(759.629)	(743.767)
Other	(5.453.752)	(4.425.262)
Total Sales, Marketing and Distribution Expenses	**(44.456.524)**	**(35.456.631)**
c) General Administrative Expenses		
Personnel Expenses	(8.714.494)	(8.183.503)
Service and Work Expenses	(5.182.634)	(4.290.421)
Amortization and Depreciation Expenses	(1.418.091)	(1.517.127)
Insurance Expenses	(867.018)	(826.255)

Other	(2.605.934)	(2.534.500)
Total General Administrative Expenses	**(18.788.171)**	**(17.351.806)**

30 EXPENSES RELATED TO THEIR NATURE

Account Name	**December 31, 2008**	**December 31, 2007**
a) Amortization and Depreciation Expenses		
Cost of Production	(8.949.875)	(9.324.998)
Idle Capacity Expenses	(590.753)	(326.159)
General Administrative Expenses	(1.418.091)	(1.517.127)
Sales and Marketing Expenses	(759.629)	(743.767)
Research and Development Expenses	(562.385)	(311.418)
Research and Development Expenses - (Intangible Assets)	(247.522)	0
Total Amortization and Depreciation Expenses	**(12.528.255)**	**(12.223.469)**
b) Employee Termination Benefits		
Cost of Production	(23.030.994)	(18.069.476)
Idle Capacity Expenses	(923.320)	(246.108)
General Administrative Expenses	(8.714.494)	(8.183.503)
Sales and Marketing Expenses	(5.387.313)	(4.642.567)
Research and Development Expenses	(1.633.769)	(2.864.930)
Research and Development Expenses - (Intangible Assets)	(2.094.077)	0
Total Employee Termination Benefits	**(41.783.967)**	**(34.006.584)**

31 OTHER OPERATING INCOME / EXPENSE

Other Operation Income:	**December 31, 2008**	**December 31, 2007**
Commission Income	437.226	451.379
Provisions no Longer Required	4.929	296.871
Rent Income	1.323.870	1.360.824
After Sales Service Income	1.566.838	1.317.491
Earnings on Services	748.660	677.362
Export Support and Price Stabilisation Fund	31.732	28.884
R&D Support Of TUBITAK	749.077	644.960
R&D Support and Price Stabilization Fund	1.125.049	202.087
Stock Count Delivery Surpluses	16.940	79.912
Running Royalty	149.773	104.826
Insurance Benefit Income	68.679	61.409
Machinery, Vehicles and Fixtures Sales Profit	222.013	89.592
Other Revenues	1.583.471	389.563
Total	**8.028.257**	**5.705.160**
Other Operation Expenses:		
Donation to A.E. Foundation	0	(1.800.000)
Motor Vehicles Tax	(15.714)	(20.834)
Non-deductive VAT	(45)	(139)

Indemnity Expenses	(7.477)	0
Other Donation	(240.564)	(1.000)
Previous Periods Expenses and Losses	(251)	(1.674)
Private Communication Tax	(44.038)	(44.689)
Machinery, Vehicles and Fixtures Sales Losses	0	(331.495)
Commission Expenses	0	(16.200)
Provision for Termination Indemnities Expenses	(714.159)	(726.198)
Idle Capacity Expenses	(2.138.103)	(1.047.672)
Tax Penalty	(9.278)	(3.576)
Total	**(3.169.629)**	**(3.993.477)**

32 FINANCIAL INCOMES

Financial Income :	**December 31, 2008**	**December 31, 2007**
Interest Revenue	8.028.631	4.391.955
Interest Cost Income	1.218.673	231.447
Foreign Exchange Gain	32.072.003	12.530.022
Profit On Sale Of Marketable Securities	2.265	2.459
Rediscount Income	157.177	87.459
Previous Period Rediscount Cancellation	92.032	209.866
Total	**41.570.781**	**17.453.208**

33 FINANCIAL EXPENSES

Financial Expenses :	**December 31, 2008**	**December 31, 2007**
Interest Expenses	(1.392.308)	(741.758)
Foreign Exchange Loss	(56.124.366)	(12.622.746)
Rediscount Expenses	(4.162)	(92.032)
Previous Period Rediscount Cancellation	(87.459)	(83.685)
Other Financial Expenses	(296.375)	(448.494)
Total	**(57.904.670)**	**(13.988.715)**

34 FIXED ASSETS HELD FOR SALE PURPOSES AND DISCONTINUED OPERATIONS

None.

35 TAX ASSETS AND LIABILITIES (DEFERRED TAX ASSETS AND LIABILITY)

The Group's tax income / (expense) is composed of current period corporate tax expense and deferred tax income (expense).

Account Name	**December 31, 2008**	**December 31, 2007**
Provision for Current Period Tax (-)	(133.810)	(8.320.797)
Deferred Tax Income / (Expense)	1.111.960	2.181.958
Total Tax Income / (Expense)	**978.150**	**(6.138.839)**

Account Name	**December 31, 2008**	**December 31, 2007**
Provision for Current Period Tax	133.810	8.320.797
Prepaid Taxes	(98.648)	(8.320.797)
Taxes Payable	**35.162**	**0**

i) Provision for Current Period Tax

The Group is subject to Corporate Tax in Turkey. The necessary provisions have been made for estimated tax liabilities as a result of Group's operations in the current period.

The corporate tax to be accrued over the taxable profit is calculated by adding undetectable expenses to the accounting profit ; deducting investment and R&D allowances , income not subject to taxation and the dividends received, from companies located in Turkey, from the accounting profit.

Accounting of provision for taxes for the current period is as follows;

	December 31, 2008	**December 31, 2007**
Profit Before Tax: (Valuation Principles of Tax Procedural Law)	669.479	41.138.888
Additions To Tax Assessment – Legally Non Deductible Expenses	650	3.358.472
Deductions From Tax Assessments – Other Deductions and Allowances	(1.078)	(2.893.373)
Tax Assessment	669.051	41.603.987
Consolidated Tax Liability	**133.810**	**8.320.797**

<u>Prevailing Rates of Corporate Tax:</u>

The corporate tax law is calculated with the rate of 20% in accordance with the corporate tax law numbered 5520 including the profits of 2006 which has come into force after being published in the official gazette dated June 21, 2006.

According to Turkish Tax Law, arisen losses can be carried forward against income for a maximum period of 5 years. On the other hand such losses cannot be deducted from previous years' profits.

According to Corporate Tax Law's 24th article, the corporate tax is imposed by the taxpayer's tax returns. There is not an exact mutual agreement procedure with Tax Authorities in Turkey. Annual corporate tax returns are submitted to the relating tax offices until the 25th of April in the following year. Moreover, the tax authorities have the right to examine the legal books of account within 5 years.

<u>Income Withholding Tax:</u>

In addition to corporate tax, income withholding tax must be calculated over the dividends distributed.

The rate of withholding tax has been increased to 15% from 10 % after the cabinet decision No: 2006/10731 published in Official Gazette on July 23, 2006/26237.

ii) Deferred Tax:

The deferred tax asset and tax liability is accounted for temporary differences between the financial statements prepared according to CMB's accounting standards and to legal financial statements based on tax laws. The pointed differences generally grow out of taxable value of some income and expense items placed in financial statements in different periods and these differences are noted below.

Temporary differences grow out of the differences between the income and expenses for accounting or tax purpose in years. Temporary differences are calculated according to revaluation of tangible fixed assets (except land and buildings), intangible fixed assets, stocks and prepaid expenses and rediscount of receivables and payables, provision for termination indemnities, previous years' loss and etc. Every balance sheet term the Group reviews the deferred tax income and in upcoming years the company withdrawn the settled deferred tax income which could not be eliminated from taxable income. Corporate tax rate is predicated on the calculation of deferred tax.

	December 31, 2008		December 31, 2007	
	Accumulated Temporary Differences	**Deferred Tax Receivable/ (Liability)**	**Accumulated Temporary Differences**	**Deferred Tax Receivable/ (Liability)**
Inventories	(488.723)	(97.745)	(606.090)	(121.218)
Tangible Fixed Assets	(20.042.675)	(4.008.535)	(21.370.304)	(4.274.061)
Provision For Termination Indemnities	7.117.211	1.423.442	6.395.134	1.279.027
Other (Net)	9.074.519	1.814.906	5.681.798	1.136.360
Total Deferred Tax Asset/(Liability)	**(4.339.668)**	**(867.932)**	**(9.899.462)**	**(1.979.892)**

Deferred Tax Movement:	**December 31, 2008**	**December 31,2007**
Opening Balance, January 1	(1.979.892)	(4.161.850)
Deferred Tax (Expense)/ Income	1.111.960	2.181.958
Closing Balance on the End of the Period	**(867.932)**	**(1.979.892)**

36 NET EARNINGS / LOSSES PER SHARE

	December 31, 2008	**December 31, 2007**
Net Profit / Loss For The Period	(468.404)	25.206.414
Weighted Average Number of Common Shares With A Nominal Value of Kr 1	2.541.970.654	2.541.970.654
Basic Earnings/Losses Per 100 Unit Share Pay(TL)	(0,0184)	0,9916

37 EXPLANATIONS OF RELATED PARTIES

a) Receivables and Payables of Related Parties:

December 31, 2008

	Receivables		Liabilities	
1)Related Parties	**Commercial**	**Non-Commercial**	**Commercial**	**Non-Commercial**
Due to Shareholders	0	0	0	12.330
Anadolu Endüstri Holding A.Ş.	0	0	291.485	0
Efes Pazarlama Dağıtım ve Tic. A.Ş.	0	0	93.473	0
Itochu Corporation Tokyo	0	0	69.721.463	0
Isuzu Operation Thailand	763.713	0	0	0
Çelik Motor Ticaret A.Ş.	177.896	0	0	0
Isuzu Motors Ltd. Tokyo	219.145	0	962.804	0
Alternatifbank A.Ş.	10.337	0	0	0
Anadolu Motor Üretim ve Paz. A.Ş.	0	0	1.209.663	0
Efestur Turizm İşletmeleri A.Ş.	0	0	29.161	0

Anadolu Bilişim Hizmetleri A.Ş.	0	0	75.881	0
Alternatif Yatırım A.Ş.	625	0	0	0
Adel Kalemcilik Tic. ve San. A.Ş.	1.375	0	0	0
Anadolu Elektronik A.Ş.	67.305	0	0	0
Total	**1.240.396**	**0**	**72.383.930**	**12.330**

Total Receivables / Total Liabilities	**1.240.396**	**72.396.260**

December 31, 2007

	Receivables		**Liabilities**	
1)Related Parties	**Commercial**	**Non-Commercial**	**Commercial**	**Non-Commercial**
Due to Shareholders	0	0	0	9.987
Anadolu Endüstri Holding A.Ş.	0	0	738.656	0
Efes Pazarlama Dağıtım ve Tic. A.Ş.	60.671	0	0	0
Itochu Corporation Tokyo	0	0	37.517.740	0
Çelik Motor Ticaret A.Ş.	278.678	0	0	0
Isuzu Motors Ltd. Tokyo	718.803	0	788.078	0
Anadolu Motor Üretim ve Paz. A.Ş.	3.435.245	0	568.484	0
Efestur Turizm İşletmeleri A.Ş.	0	0	28.916	0
Anadolu Bilişim Hizmetleri A.Ş.	0	0	140.177	0
Alternatif Yatırım A.Ş.	590	0	0	0
Adel Kalemcilik Tic. ve San. A.Ş.	1.298	0	0	0
Anadolu Elektronik A.Ş.	62.101	0	0	0
Total	**4.557.386**	**0**	**39.782.051**	**9.987**

Total Receivables / Total Liabilities	**4.557.386**	**39.792.038**

b) Purchases from Related Parties and Sales to Related Parties

December 31, 2008

Sales To Related Parties	**Goods and Service Sales**	**Fixed Asset Sales**	**Rent Income**	**Total Income / Sales**
Efes Pazarlama Dağıtım ve Tic. A.Ş.	0	0	1.045.650	**1.045.650**
Isuzu Operation Thailand	2.107.862	0	0	**2.107.862**
Çelik Motor Ticaret A.Ş.	440.025	0	85.440	**525.465**
Isuzu Motors Ltd. Tokyo	1.242.190	0	0	**1.242.190**
Alternatif Yatırım A.Ş.	0	0	6.360	**6.360**
Adel Kalemcilik Tic. ve San. A.Ş.	0	0	13.980	**13.980**
Anadolu Elektronik A.Ş.	108.395	0	0	**108.395**

Anadolu Motor Üretim ve Paz. A.Ş.	3.950.043	0	0	**3950.043**
Alternatif Finansal Kiralama A.Ş.	0	0	14.400	**14.400**
Ant Sınai ve Ticari Ürünleri Paz. A.Ş.	184.178	0	14.400	**198.578**
Anadolu Isuzu Dış Ticaret ve San. A.Ş.	2.501.762	0	0	**2.501.762**
Itochu Corporation İstanbul Şubesi	3.545.578	0	0	**3.545.578**
Coca-Cola Almaty Bottlers	798.971	0	0	**798.971**
Coca-Cola Bıshkek Bottlers	44.904	0	0	**44.904**
Alternatifbank A.Ş.	0	0	103.040	**103.040**
Total	**14.923.908**	**0**	**1.283.270**	**16.207.178**

December 31, 2007

Sales To Related Parties	**Goods and Service Sales**	**Fixed Asset Sales**	**Rent Income**	**Total Income / Sales**
Efes Pazarlama Dağıtım ve Tic. A.Ş.	0	0	1.002.365	**1.002.365**
Isuzu Operation Thailand	621.130	0	0	**621.130**
Çelik Motor Ticaret A.Ş.	430.119	0	260.110	**690.229**
Isuzu Motors Ltd. Tokyo	1.347.217	0	0	**1.347.217**
Alternatif Yatırım A.Ş.	0	0	6.000	**6.000**
Adel Kalemcilik Tic. ve San. A.Ş.	0	0	13.200	**13.200**
Anadolu Elektronik A.Ş.	98.635	0	0	**98.635**
Anadolu Motor Üretim ve Paz. A.Ş.	9.078.398	0	0	**9.078.398**
Alternatif Finansal Kiralama A.Ş.	0	0	13.728	**13.728**
Ant Sınai ve Ticari Ürünleri Paz. A.Ş.	162.531	0	13.440	**175.971**
Anadolu Isuzu Dış Ticaret ve San. A.Ş.	4.318.810	0	0	**4.318.810**
Anadolu Eco Invest A.Ş.	9.549.346	0	0	**9.549.346**
Coca-Cola Almaty Bottlers	1.227.721	0	0	**1.227.721**
Coca-Cola Bıshkek Bottlers	151.174	0	0	**151.174**
Coca-Cola İçecek A.Ş.	2.038	0	0	**2.038**
Alternatifbank A.Ş.	0	0	43.680	**43.680**
Total	**26.987.119**	**0**	**1.352.523**	**28.339.642**

December 31, 2008

Purchases From Related Parties	**Goods and Service Purchases**	**Fixed Asset Purchases**	**Rent Expenses**	**Total Expense/ Purchases**
Anadolu Motor Üretim ve Paz. A.Ş.	7.535.523	0	0	**7.535.523**
Çelik Motor Ticaret A.Ş.	117.245	0	134.070	**251.315**
Anadolu Endüstri Holding A.Ş.	2.035.648	0	0	**2.035.648**
Itochu Corporation Tokyo	134.795.025	0	0	**134.795.025**
Isuzu Operation Thailand	57.115.038	0	0	**57.115.038**

Isuzu Motors Europa	57.693	0	0	**57.693**
Isuzu Motors Ltd. Tokyo	2.759.022	0	0	**2.759.022**
Isuzu Motors Ltd. America	1.251	0	0	**1.251**
Efestur Turizm İşletmeleri A.Ş.	1.561.105	0	0	**1.561.105**
Anadolu Bilişim Hizmetleri A.Ş.	1.777.249	108.499	0	**1.885.748**
Ant Sınai ve Ticari Ürünleri Paz. A.Ş.	319.492	0	0	**319.492**
Anadolu Sağlık Merkezi	24.812	0	0	**24.812**
Anadolu Elektronik A.Ş.	312	0	0	**312**
Total	**208.099.415**	**108.499**	**134.070**	**208.341.984**

December 31, 2007

Purchases From Related Parties	**Goods and Service Purchases**	**Fixed Asset Purchases**	**Rent Expenses**	**Total Expense/ Purchases**
Anadolu Motor Üretim ve Paz. A.Ş.	4.498.750	0	0	**4.498.750**
Çelik Motor Ticaret A.Ş.	105.150	0	68.747	**173.897**
Anadolu Endüstri Holding A.Ş.	1.531.870	0	0	**1.531.870**
Itochu Corporation Tokyo	89.897.566	0	0	**89.897.566**
Isuzu Operation Thailand	54.375.148	0	0	**54.375.148**
Isuzu Motors Europa	145.079	0	0	**145.079**
Isuzu Motors Ltd. Tokyo	968.309	0	0	**968.309**
Efestur Turizm İşletmeleri A.Ş.	1.149.154	0	0	**1.149.154**
Anadolu Bilişim Hizmetleri A.Ş.	1.501.749	51.897	0	**1.553.646**
Ant Sınai ve Ticari Ürünleri Paz. A.Ş.	37.909	0	0	**37.909**
Anagıda Otomotiv ve İht. Mad. A.Ş.	2.756	0	0	**2.756**
Alternatif Yatırım A.Ş.	15.428	0	0	**15.428**
Anadolu Sağlık Merkezi	36.871	0	0	**36.871**
Total	**154.265.739**	**51.897**	**68.747**	**154.386.383**

c) Donations to Anadolu Eğitim ve Sosyal Yardım Vakfı :

- As per the Article No:19 in the Main Articles of Association of the Group, at least 2% - 5% portion of the Company's profit before tax after the distribution of 1st dividend shall be donated to Anadolu Eğitim ve Sosyal Yardım Vakfı as long as it is subject to tax exemption. However, the Group could not donate for the year ended December 31, 2008 because it did not derive any profits.(December 31, 2007 TL 1.800.000)

d) Benefits Provided to Managerial Staff :

Benefits and wages provided to manageral staff are amounted to TL 1.650.218 as of December 31, 2008 (December 31, 2007 : TL 1.559.672.)

38 THE CHARACTERISTICS AND LEVEL OF RISKS GROW OUT OF FINANCIAL INSTRUMENTS

(a) Capital risk management

The Group, while trying to maintain the continuity of its activities in capital management on one hand, aims to increase its profitability by using the balance between debts and resources on the other hand.

The capital structure of the Group consists of debts containing the credits explained in note 8, cash and cash equivalents explained in note 6 and resource items containing respectively issued capital, capital reserves, profit reserves and profits of previous years explained in note 27.

Risks, associated with each capital class, and the capital cost are evaluated by the senior management. It is aimed that the capital structure will be stabilized by means of new borrowings or repaying the existing debts as well as dividend payments and new share issuances based on the senior management evaluations.

The Group follows the capital by using debt/total capital rate. This rate is found by dividing the net debt by total capital. The net debt is calculated by excluding the cash and cash equivalent amounts from the total debt amount (including credits, leasing and commercial debts as indicated in the balance sheet). Total capital is calculated as resources plus net debt as indicated in the balance sheet.

General strategy of the Group based on resources is not different from the previous years.

The Group is entening into hedging contracts (including derivative financial instruments) for the purpose of diversifing currency fluctuation risks.

(b) Important Accounting Policies

The Group's important accounting policies relating to financial instruments are presented in the footnote numbered 2.

(c) Market risk

The Group, due to its activities, is exposed to changes in exchange rates (see article d) and interest rates (see article e), and other risks (article g). The Group, as it holds the financial instruments, also bears the risk of other party not meeting the requirements of the agreement. (Article h)

Market risks seen at the level of group are measured according to the sensitivity analysis principle. The market risk of the Group incurred during the current year or the method of handling the encountered risks or the method of measuring those risks are no different from the previous year.

(d) Foreign Currency Risk Management

Transactions in foreign currencies expose the Group to foreign currency risk.

In this regard, the Group manages this risk with a method of netting foreign currency denominated assets and liabilities. The management reviews the foreign currency open position and provide measures if required.

The Group is exposed to rate risk due to the changes in exchange rates used for exchanging the assets and liabilities from foreign currency to Turkish Lira. The rate risk evolves due to the commercial transactions to be executed in the future and the difference between actives and passives of the recorded.

Foreign Exchange Rate Sensitivity Analysis Table		
December 31, 2008		
	Profit / Loss	
	Appreciation of Foreign Exchange	**Depreciation of Foreign Exchange**
In the event of 10% value change of US Dollar against TL;		
1- US Dollar Net Property / Liability	269.553	(269.553)
2- The part, protected from US Dollar Risk (-)		
3- US Dollar Net Effect (1+2)	**269.553**	**(269.553)**
In the event of 10% value change of Euro against TL;		
4- Euro Net Property / Liability	1.212.913	(1.212.913)
5- The part, protected from Euro Risk (-)		
6- Euro Net Effect (4+5)	**1.212.913**	**(1.212.913)**
In the event of 10% value change of JPY against TL;		
7- JPY Net Property / Liability	(8.420.421)	8.420.421
8- The part, protected from JPY Risk (-)		
9- JPY Net Effect (7+8)	(8.420.421)	8.420.421
TOTAL (3+6+9)	**(6.937.955)**	**6.937.955**

Foreign Exchange Rate Sensitivity Analysis Table		
December 31, 2007		
	Profit / Loss	
	Appreciation of Foreign Exchange	**Appreciation of Foreign Exchange**
In the event of 10% value change of US Dollar against TL		
1- US Dollar Net Property / Liability	2.243.269	(2.243.269)
2- The part, protected from US Dollar Risk (-)		
3- US Dollar Net Effect (1+2)	**2.243.269**	**(2.243.269)**
In the event of 10% value change of Euro against TL;		
4- Euro Net Property / Liability	3.054.209	(3.054.209)
5- The part, protected from Euro Risk (-)		
6- Euro Net Effect (4+5)	**3.054.209**	**(3.054.209)**
In the event of 10% value change of JPY against TL;		
7- JPY Net Property / Liability	(3.600.066)	3.600.066
8- The part, protected from JPY Risk (-)		
9- JPY Net Effect (7+8)	**(3.600.066)**	**3.600.066**
TOTAL (3+6+9)	**1.697.412**	**(1.697.412)**

Table of Foreign Exchange Position

	December 31,2008					December 31,2007				
	TL Value	**USD**	**EURO**	**JPY**	**Other**	**TL Value**	**USD**	**EURO**	**JPY**	**Other**
1. Commercial Receivables	1.740.331	59.696	491.127	35.778.642		8.656.700	124.544	4.641.502	55.817.408	
2a. Monetary Financial Assets	39.851.626	1.657.631	16.677.402	98.123.888		45.346.942	4.066.572	23.323.637	70.291.061	
2b. Non-Monetary Financial Assets	0					0		0		
3. Other	0					3.796	3.260			
4. Current Assets Total (1+2+3)	**41.591.957**	**1.717.327**	**17.168.529**	**133.902.530**	**0**	**54.007.439**	**4.194.375**	**27.965.139**	**126.108.469**	**0**
5. Commercial Receivables	0					0				
6a. Monetary Financial Assets	0					0				
6b. Non-Monetary Financial Assets	0					0				
7. Other	98.411	65.074				75.792	65.074			
8. Fixed Assets Total (5+6+7)	**98.411**	**65.074**	**0**	**0**	**0**	**75.792**	**65.074**	**0**	**0**	**0**
9. Total Assets (4+8)	**41.690.369**	**1.782.401**	**17.168.529**	**133.902.530**	**0**	**54.083.231**	**4.259.449**	**27.965.139**	**126.108.469**	**0**
10. Commercial Debts	71.776.529		846.823	4.181.427.834		39.672.042		1.387.099	3.628.740.645	
11. Financial Liabilities	40.514.983		18.925.160			14.911.679		8.719.260		
12a. Other Monetary Liabilities	0					0				
12b. Other Non-Monetary Liabilities	0					0				
13. Total Short Term Liabilities (10+11+12)	**112.291.512**	**0**	**19.771.983**	**4.181.427.834**	**0**	**54.583.721**	**0**	**10.106.359**	**3.628.740.645**	**0**
14. Commercial Debts	0					0				
15. Financial Liabilities	0					0				
16a. Other Monetary Liabilities	0				0	0				
16b. Other Non-Monetary Liabilities	0					0				
17. Total Long Term Liabilities (14+15+16)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
18. Total Liabilities (13+17)	**112.291.512**	**0**	**19.771.983**	**4.181.427.834**	**0**	**54.583.721**	**0**	**10.106.359**	**3.628.740.645**	**0**
19. Net Asset/ (Liability) Position of Derivative Instruments off the Balance Sheet (19a-19b)	1.221.589	0	8.269.156	(985.000.000)	0	17.470.500	15.000.000	0	0	0
19a. Total Amount of Hedged Assets	17.702.609		**8.269.156**			17.470.500	15.000.000			
19b. Total Amount of Hedged Liabilities	16.481.020			**985.000.000**		0				
20. Net Foreign Exchange Asset / (Liability) Position (9-18+19)	**(69.379.554)**	**1.782.401**	**5.665.702**	**(5.032.525.304)**	**0**	**16.970.010**	**19.259.449**	**17.858.780**	**(3.502.632.176)**	**0**
21. Monetary Items Net Foreign Exchange Asset / (liability) position (1+2a+5+6a-10-11-12a-14-15-16a)	**(70.699.555)**	**1.717.327**	**(2.603.454)**	**(4.047.525.304)**	**0**	**(580.079)**	**4.191.116**	**17.858.780**	**(3.502.632.176)**	**0**
22. Total Fair Value of Financial Instruments Used for the Foreign Exchange Hedge	**0**					**0**				

	December 31,2008 TL Value	December 31,2007 TL Value
23. The Amount of Hedged part of Foreign Exchange Assets	**17.702.609**	**17.470.500**
23. The Amount of Hedged part of Foreign Exchange Liabilities	**16.481.020**	**0**
23. Export	**115.918.666**	**70.709.141**
24. Import	**207.707.255**	**160.892.991**

(e) Management of interest rate risk

The Group is exposed to interest risk due to its floating and fixed interest financial instruments. The liabilities of the Company relating to the fixed and floating interest financial debts are stated in Note 8, and fixed and floating interest assets (deposit etc.) are stated in Note 6.

Table of Interest Position			
		December 31,2008	**December 31,2007**
Fixed Interest Financial Instruments			
Financial Assets	Assets which Fair Value Differences Charged to Income Statement		
	Financial Assets Ready for Sale		
Financial Liabilities		(31.131.001)	(14.983.176)
Floating Rate Financial Instruments			
Financial Assets		46.753.365	82.876.278
Financial Liabilities		(10.892.413)	0

If the interest in TL currency on the date of December 31, 2008 was 1 basis point higher/lower and all other variables stood still, the profit before the consolidated equity of participations and taxes would be TL 47.300 (December 31,2007: TL 678.931) higher/lower.

(f) Analysis Relating to Other Risks

Risks Relating to Share etc. Financial Instruments

The Group isn't holding marketable securities which are traded in the Istanbul Stock Exchange.

(g) Credit risk management

Holding the financial instruments also bears the risk of counter party not meeting the requirements of the agreement. The collection risk of the Group actually arises out of commercial receivables. Commercial receivables are evaluated by taking the Group Policies and procedures into account and accordingly indicated in the balance sheet clearly after excluding the bad receivables. (Note 10).

Most of the trade receivables are compised of comprised of receivables from customers which are assumed by adequate amount of guarantees.The Group has formed an effective collection policy from its customers.The credit risk arisen from receivables are menitoned by the Group management and risks are limited.The Group has no material collcetion risk due to its receivables in smaller amounts from various number of customers.The receivables from foreign customers amounting to TL 1.740.331 as of December 31,2008 is not geographically concentrated to an area.

December 31,2008	**Receivables**					**Deposit at Banks**	
	Commercial Receivables		**Other Receivables**		**Foot**		**Foot**
	Related	**Other**	**Related**	**Other**	**Note**		**Note**
Maximum credit risk incurred as of the date of reporting (A+B+C+D+E)	**1.240.396**	**72.346.395**	**-**	**8.514.781**		**47.251.191**	
-The part of maximum risk secured by guarantee etc.	-	87.698.436	-	-		-	
A. Net book value of financial assets which are undue or which did not decline in value	**1.240.396**	**72.346.395**	**-**	**8.514.781**	**10-11**	**47.251.191**	**6**
B. Book value of financial assets which conditions are renegotiated, and which otherwise would be counted as overdue or declined in value	**-**	**-**	**-**	**-**	**10-11**	**-**	**6**
C. Net book value of assets, overdue but did not decline in value.	-	-	-	-		-	**6**
- The part secured by guarantee etc.	-	-	-	-	**10-11**	-	**6**
D. Net book values of assets declined in value	-	-	-	-		-	**6**
- Overdue (gross book value)	-	333.324	-	-	**10-11**	-	**6**
- Decline in value (-)	-	(333.324)	-	-	**10-11**		**6**
- The part of net value secured by guarantee etc.	-	-	-	-	**10-11**	-	**6**

- Undue (gross book value)	-	-	-	-	**10-11**	-	**6**
- Decline in value (-)	-	-	-	-	**10-11**	-	**6**
- The part of net value secured by guarantee etc.	-	-	-	-	**10-11**	-	**6**
E. Elements containing credit risk off the balance sheet	-	-	-	-		-	
December 31,2007	**Receivables**					**Deposit at Banks**	**Foot Note**
	Commercial Receivables		**Other Receivables**		**Foot Note**		
	Related	**Other**	**Related**	**Other**			
Maximum credit risk incurred as of the date of reporting (A+B+C+D+E)	**4.557.386**	**90.074.444**	**-**	**2.592.658**		**83.644.274**	
-The part of maximum risk secured by guarantee etc.	-	85.807.460	-	-		-	
A. Net book value of financial assets which are undue or which did not decline in value	**4.557.386**	**90.074.444**	**-**	**2.592.658**	**10-11**	**83.644.274**	**6**
B. Book value of financial assets which conditions are renegotiated, and which otherwise would be counted as overdue or declined in value	**-**	**-**	**-**	**-**	**10-11**	**-**	**6**
C. Net book value of assets, overdue but did not decline in value.	-	-	-	-		-	**6**
- The part secured by guarantee etc.	-	-	-	-	**10-11**	-	**6**
D. Net book values of assets declined in value	-	-	-	-		-	**6**
- Overdue (gross book value)	-	337.120	-	-	**10-11**	-	**6**
- Decline in value (-)	-	(337.120)	-	-	**10-11**		**6**
- The part of net value secured by guarantee etc.	-	-	-	-	**10-11**	-	**6**
- Undue (gross book value)	-	-	-	-	**10-11**	-	**6**
- Decline in value (-)	-	-	-	-	**10-11**	-	**6**
- The part of net value secured by guarantee etc.	-	-	-	-	**10-11**	-	**6**
E. Elements containing credit risk off the balance sheet	-	-	-	-		-	

During the assesment of impairment of receivables; the schedules of aging and collectivity are used which are prepared by the Group management.

(h) Liquidity risk management

The Group tries to manage the liquidity risk by maintaining the continuation of sufficient funds and loan reserves by means of matching the financial instruments and terms of liabilities by following the cash flow regularly.

<u>Liquidity Risk Tables</u>

Prudent liquidity risk management signifies maintaining sufficient cash, the utility of fund sources by sufficient credit transactions and the ability to close out market positions.

Risk of existing or future possible debt requirements being fundable is managed by maintaining the continuation of availability of sufficient numbers and high quality credit providers.

The table below indicates the term divisions of derivative and non-derivative financial liabilities of the Group in TL currency.

December 31, 2008

Expected Terms	**Book Value**	**Cash Issuances Total As Per the Agreement**	**Shorter than 3 Months**	**Between 3-12 months**	**Between 1-5 years**	**Longer than 5**
Non-Derivative Financial Liabilities	**160.109.723**	**162.749.124**	**81.440.036**	**81.309.088**		
Bank Credits	42.023.414	44.505.638	244.140	44.261.498	-	-
Issuances of Debt Instrument	-	-	-	-	-	-
Leasing Liabilities	-	-	-	-	-	-
Commercial Debts	114.393.162	114.550.339	77.502.749	37.047.590		

Other Debts	3.693.147	3.693.147	3.693.147			
Other	-	-	-	-	-	-

Expected Terms	Book Value	Cash Issuances Total As Per the Agreement	Shorter than 3 Months	Between 3-12 months	Between 1-5 years	Longer than 5
Derivative Financial Liabilities	**1.221.589**	**1.221.589**	**-**	**1.221.589**	**-**	**-**
Derivative Cash Inflow	17.702.609	17.702.609	-	17.702.609	-	-
Derivative Cash Outflow	(16.481.020)	(16.481.020)	-	(16.481.020)	-	-

December 31, 2007

Expected Terms	Book Value	Cash Issuances Total As Per the Agreement	Shorter than 3 Months	Between 3-12 months	Between 1-5 years	Longer than 5
Non-Derivative Financial Liabilities	**97.992.972**	**98.397.379**	**61.883.223**	**36.514.156**	**-**	**-**
Bank Credits	14.983.176	15.300.124	-	15.300.124	-	-
Issuances of Debt Instrument	-	-	-	-	-	-
Leasing Liabilities	-	-	-	-	-	-
Commercial Debts	73.022.458	73.109.917	51.895.885	21.214.032		
Other Debts	9.987.338	9.987.338	9.987.338			
Other	-	-	-	-	-	-

Expected Terms	Book Value	Cash Issuances Total As Per the Agreement	Shorter than 3 Months	Between 3-12 months	Between 1-5 years	Longer than 5
Derivative Financial Liabilities	**(2.531.500)**	**(2.531.500)**	**(2.531.500)**	**-**	**-**	**-**
Derivative Cash Inflow	17.554.500	17.554.500	17.554.500	-	-	-
Derivative Cash Outflow	(20.086.000)	(20.086.000)	(20.086.000)	-	-	-

39 FINANCIAL INSTRUMENTS (DECLARATIONS WITHIN THE CONTEXT OF FAIR VALUE AND AVOIDING FINANCIAL RISK)

Group claims that book values of financial instruments reflect fair values.

<u>Objectives of Financial Risk Management</u>

Group's finance department is responsible for adequate access to financial market and managing financial risks arises from operational activities of Group . Financial risks of operation contain market risk (currency rate risk, fair value of interest risk and price risk), loan risk, liquidity risk and cash flow interest rate risk.

In order to decrease the effect of risk and avoiding financial risk, Group uses forward foreign currency transaction agreements as a financial instrument.

As of December 31,2008 the Group has JPY 985.000.000 futures foreign currency contract and TL 978.650 is reflected as income accruals to the financial statements.

Total amount of forward foreign currency transactions are USD 15.000.000 and amounting to TL 2.277.262 provision for expense reflected to the financial statements as of December 31, 2007.

40 EVENTS AFTER BALANCE SHEET DATE

a) The Company has declared in made material disclosure based on memorandum of understanding, which was signed with Isuzu Motors Limited (partner) as of April 24, 2007 that; the pick-ups, which the Company still imports and sales, will be produced and production of existent trucks operation, which will be turned into new model, will be done by two steps, were predicted. In first step, the Company predicted that; 300 pick-ups will be produced as sample and domestic production of new model truck will be prepared and production will be started and before this step it was predicted that, some part of 3% shares of Anadolu Group will be transferred to Isuzu Motors Limited. After the results of first step, which has preparation characteristics, will be evaluated in 2009 by parties, it will be decided to pass second step and it has been predicted that investment of pick-up production would be started in the second step. Concerned with first step, technical cooperation and distributor of assemblage agreements have been updated and the share transfer decisions at a amount of 3 % has been deferred until June 2009 .

b) Paying considering the decrease of demand in automotive sector that was caused by the negative effects in domestic and foreign markets, the Company has decided to stop at the vehicle production from January 19, 2009 to March 16, 2009.

41 OTHER ISSUES THAT SIGNIFICANTLY AFFECT THE FINANCIAL STATEMENTS OR OTHER ISSUES REQUIRED FOR THE CLEAR UNDERSTANDING OF FINANCIAL STATEMENTS

The Financial Fluctuation, started in the United States of America as a Mortgage Crisis and then effected the whole economical system, had negative effects on the financial markets of Turkey as well as other countries in the world. Therefore, especially in October (2008), Turkish Lira decreased in value considerably against main foreign currencies. The loss in value of Turkish Lira against the US Dollar is approximately 10 % - 13 % when it is matched via the valid rate on the date of December 31,2008 according to the exchange rate determined by Central Bank of Turkish Republic as of the date of this report, and balance of exchange rate has not occurred yet. The financial status, future activities and cash flow of the Company may be affected negatively by these economical problems like other companies.