

FORD OTOMOTİV SANAYİ A.Ş.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
FINANCIAL STATEMENTS AT 31 MARCH 2011
(ORIGINALLY ISSUED IN TURKISH)**

**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

FORD OTOMOTİV SANAYİ A.Ş.

BALANCE SHEETS AT 31 MARCH 2011 AND 31 DECEMBER 2010

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

	Notes	2011 EURO*	31 March 2011	31 December 2010
ASSETS				
Current assets		1,258,429,235	2,745,389,219	2,229,357,158
Cash and cash equivalents	4	385,356,785	840,694,363	520,944,034
Trade receivables				
- Due from related parties	26	322,476,202	703,514,083	673,117,047
- Other trade receivables	7	186,130,632	406,062,586	511,313,401
Other receivables	8	2,116,375	4,617,083	6,401,917
Inventories	9	312,123,932	680,929,571	463,925,506
Other current assets	16	50,225,309	109,571,533	53,655,253
Non-current assets		499,156,644	1,088,960,135	1,105,722,882
Trade receivables	7	175,771	383,463	342,608
Financial assets	5	1,714,310	3,739,938	3,008,822
Property, plant and equipment	10	477,954,463	1,042,705,456	1,058,400,259
Intangible assets	11	17,491,125	38,158,639	42,299,562
Other non-current assets	16	1,820,975	3,972,639	1,671,631
Total assets		1,757,585,879	3,834,349,354	3,335,080,040

(*) Euro amounts presented above are translated from Turkish lira for convenience purposes only, at the official Turkish lira ("TL") exchange rate announced by the Central Bank of Turkey at 31 March 2011 and therefore do not form a part of these financial statements prepared in accordance with the financial reporting standards accepted by the Capital Markets Board ("CMB").

The financial statements were approved for issue by the Board of Directors on 28 April 2011 and signed on behalf of the Board of Directors by Oğuz Toprakoğlu, Assistant General Manager - Financial Affairs (CFO) and Devrim Kılıçoğlu, Finance Director.

The accompanying notes form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

FORD OTOMOTİV SANAYİ A.Ş.

BALANCE SHEETS AT 31 MARCH 2011 AND 31 DECEMBER 2010

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

	Notes	2011 EURO*	31 March 2011	31 December 2010
LIABILITIES				
Current liabilities		840,525,098	1,833,689,553	1,167,504,598
Financial liabilities	6	111,393,874	243,016,875	231,135,070
Trade payables				
- Due to related parties	26	114,689,034	250,205,597	176,308,452
- Other trade payables	7	291,007,121	634,861,136	508,068,468
Other payables				
- Due to related parties	26	139,624,501	304,604,812	5,695,782
- Other payables	8	124,052,715	270,633,402	117,075,396
Current income tax payable	24	24,213,957	52,825,168	60,498,276
Provisions	13	35,543,896	77,542,563	68,723,154
Non-current liabilities		185,130,971	403,881,726	412,531,411
Financial liabilities	6	135,446,245	295,489,528	297,303,000
Provision for employee benefits	15	22,630,439	49,370,565	44,061,805
Deferred tax liabilities	24	27,054,287	59,021,633	71,166,606
Equity	17	731,929,810	1,596,778,075	1,755,044,031
Capital and reserves attributable to the equity holders of the Company	17	731,929,810	1,596,778,075	1,755,044,031
Share capital		160,849,835	350,910,000	350,910,000
Adjustment to share capital		12,798,076	27,920,283	27,920,283
Share premium		3,783	8,252	8,252
Revaluation funds		1,209,564	2,638,785	1,907,669
Restricted reserves		169,253,387	369,243,190	340,819,480
Retained earnings		322,365,253	703,272,037	528,870,084
Net income for the year		65,449,912	142,785,528	504,608,263
Total equity and liabilities		1,757,585,879	3,834,349,354	3,335,080,040

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**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

FORD OTOMOTİV SANAYİ A.Ş.

**STATEMENTS OF INCOME
FOR THE YEARS ENDED 31 MARCH 2011 AND 2010**

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

	Notes	2011 EURO*	31 March 2011	31 March 2010
Operating revenue				
Sales	18	1,022,015,393	2,229,628,783	1,394,379,721
Cost of sales	18	(884,641,660)	(1,929,934,246)	(1,236,364,089)
Gross profit		137,373,733	299,694,537	158,015,632
Sales and marketing expenses	19	(26,943,999)	(58,781,029)	(36,956,291)
General administrative expenses	19	(28,732,416)	(62,682,638)	(18,204,951)
Research and development expenses	19	(11,904,100)	(25,969,984)	(18,144,544)
Other income	21	3,139,471	6,849,069	9,379,169
Other expenses	21	(232,645)	(507,538)	(808,187)
Operating profit		72,700,044	158,602,417	93,280,828
Financial income	22	35,150,500	76,684,330	27,234,878
Financial expenses	23	(23,753,678)	(51,821,024)	(29,282,682)
Income before tax from continuing operations		84,096,866	183,465,723	91,233,024
Income tax from continuing operations		(18,646,954)	(40,680,195)	(20,151,763)
- Taxes on income	24	(24,213,957)	(52,825,168)	(23,219,306)
- Deferred tax income	24	5,567,003	12,144,973	3,067,543
Net income for the year		65,449,912	142,785,528	71,081,261
Earnings per share with a nominal value of Kr 1	25		0,41	0,20

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**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
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FORD OTOMOTİV SANAYİ A.Ş.

**COMPREHENSIVE STATEMENTS OF INCOME
FOR THE YEARS ENDED 31 MARCH 2011 AND 2010**

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

	Notes	2011 EURO*	31 March 2011	31 March 2010
Net income for the year		65,449,912	142,785,528	71,081,261
Other comprehensive income				
Change in revaluation funds of financial assets	17	335,128	731,116	351,498
Net other comprehensive income		335,128	731,116	351,498
Comprehensive income		65,785,040	143,516,644	71,432,759

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**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

FORD OTOMOTİV SANAYİ A.Ş.

**STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 MARCH 2011 AND 2010**

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

	Share capital	Adjustment to share capital	Share premium	Revaluation fund	Restricted reserves	Retained earnings	Net income	Total equity
Balance at 1 January 2010	350,910,000	27,920,283	8,252	1,078,134	302,570,290	633,722,367	333,434,307	1,649,643,633
Transfers	-	-	-	-	24,212,790	309,221,517	(333,434,307)	-
Dividends paid	-	-	-	-	-	(259,673,400)	-	(259,673,400)
Comprehensive income	-	-	-	351,498	-	-	71,081,261	71,432,759
Balance at 31 March 2010	350,910,000	27,920,283	8,252	1,429,632	326,783,080	683,270,484	71,081,261	1,461,402,992
Balance at 1 January 2011	350,910,000	27,920,283	8,252	1,907,669	340,819,480	528,870,084	504,608,263	1,755,044,031
Transfers	-	-	-	-	28,423,710	476,184,553	(504,608,263)	-
Dividends to be paid	-	-	-	-	-	(301,782,600)	-	(301,782,600)
Comprehensive income	-	-	-	731,116	-	-	142,785,528	143,516,644
Balance at 31 March 2011	350,910,000	27,920,283	8,252	2,638,785	369,243,190	703,272,037	142,785,528	1,596,778,075

The accompanying notes form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
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FORD OTOMOTİV SANAYİ A.Ş.

**NOTES TO FINANCIAL STATEMENTS
AT 31 MARCH 2011 AND 2010**

(Amounts expressed in Turkish lira ("TL") unless otherwise indicated.)

	Notes	2011 EURO*	31 March 2011	31 March 2010
Cash flows from operating activities:				
Net income for the year		65,449,912	142,785,528	71,081,261
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	10	14,107,511	30,776,946	41,439,797
Amortisation	11	2,349,841	5,126,413	4,730,279
Provision for employee benefits	15	3,077,035	6,712,859	1,923,392
Warranty expense provision	13	9,633,090	21,015,548	13,599,505
Taxation	24	18,646,954	40,680,195	20,151,763
Interest income	22	(5,162,475)	(11,262,455)	(5,089,203)
Interest expense	23	938,607	2,047,664	1,978,939
Foreign exchange loss/(gain)		14,514,951	31,665,817	(16,350,146)
Provision (income)		(857,143)	(1,869,943)	(1,698,117)
Loss on sale of property, plant and equipment-net	21	29,990	65,427	217,122
Dividend income		(40,280)	(87,874)	(119,509)
Operating profit before changes in operating assets and liabilities		122,687,993	267,656,125	131,865,083
Decrease in accounts receivable		34,311,413	74,853,779	176,660,374
(Increase) in inventories		(98,023,932)	(213,849,009)	(146,970,743)
(Increase) in other current assets		(24,812,728)	(54,131,446)	(59,982,470)
(Decrease)/increase in accounts payable		91,992,030	200,689,813	(7,834,241)
Increase in other current liabilities		195,710,930	426,962,965	339,312,845
Income tax paid		(16,629,684)	(36,279,319)	(29,015,266)
Warranty expenses paid	13	(5,590,456)	(12,196,139)	(17,148,703)
Employee benefits paid	15	(643,610)	(1,404,099)	(455,529)
Dividend payable		(138,330,858)	(301,782,600)	(259,673,400)
Net cash generated from operating activities		160,671,098	350,520,070	126,757,950
Cash flows used in investing activities:				
Purchase of property, plant and equipment	10	(7,369,900)	(16,078,174)	(9,624,318)
Purchase of intangible assets	11	(451,728)	(985,490)	(75,480)
Proceeds from sale of property, plant and equipment		426,570	930,605	1,512,418
(Increase)/decrease in other non-current assets		(1,073,461)	(2,341,863)	512,417
Interest received		5,162,475	11,262,455	5,483,946
Dividend received		40,280	87,874	119,509
Net cash used in investing activities		(3,265,764)	(7,124,593)	(2,071,508)
Cash flows from financing activities:				
Interest paid		(506,337)	(1,104,625)	(2,652,121)
Proceeds from borrowings		-	-	121,370,123
Repayments of borrowings		(10,332,106)	(22,540,523)	(138,787,774)
Net cash used in financing activities		(10,838,443)	(23,645,148)	(20,069,772)
Net increase in cash and cash equivalents		146,566,891	319,750,329	104,616,670
Cash and cash equivalents at beginning of the year	4	238,789,895	520,944,034	371,551,803
Cash and cash equivalents at end of the year	4	385,356,786	840,694,363	476,168,473

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