

FORD OTOMOTİV SANAYİ A.Ş.

**INTERIM FINANCIAL STATEMENTS
AT 31 MARCH 2007**

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

FORD OTOMOTİV SANAYİ A.Ş.

BALANCE SHEETS AT 31 MARCH 2007 AND 31 DECEMBER 2006

(Amounts expressed in New Turkish lira ("YTL") unless otherwise indicated)

	Notes	31 March 2007	31 December 2006
ASSETS			
Current assets		1,437,078,547	1,303,797,646
Cash and cash equivalents	4	243,874,622	211,706,027
Marketable securities (net)	5	-	-
Trade receivables (net)	7	273,925,176	272,571,587
Leasing receivables (net)	8	-	-
Due from related parties (net)	9	391,294,540	353,329,775
Other receivables (net)	10	1,823,113	1,708,258
Biological assets (net)	11	-	-
Inventories (net)	12	409,930,782	373,040,738
Construction contract receivables (net))	13	-	-
Deferred tax assets	14	-	-
Other current assets	15	116,230,314	91,441,261
Non-current assets		1,506,668,104	1,520,499,654
Trade receivables (net)	7	13,118	11,791
Leasing receivables (net)	8	-	-
Due from related parties (net)	9	88,303,399	88,807,786
Other receivables (net)	10	-	-
Financial assets (net)	16	16,732,671	16,535,832
Goodwill/negative goodwill (net)	17	-	-
Investment properties (net)	18	-	-
Property, plant and equipment (net)	19	1,297,254,064	1,293,639,349
Intangible assets (net)	20	97,478,773	108,620,248
Deferred tax assets	14	6,886,079	12,884,648
Other non-current assets	15	-	-
Total assets		2,943,746,651	2,824,297,300

The financial statements were approved for issue by the Board of Directors on 4 May 2007 and signed on its behalf by Oğuz Toprakoğlu, Assistant General Manager – Finance (CFO) and by Tuncay Selçuk, Assistant General Manager – Treasury.

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 2007 AND 31 DECEMBER 2006

(Amounts expressed in New Turkish lira ("YTL") unless otherwise indicated)

	Notes	31 March 2007	31 December 2006
LIABILITIES			
Current liabilities		1,181,717,509	1,083,577,065
Short-term borrowings (net)	6	5,310,010	133,954,960
Current portion of long-term borrowings (net)	6	245,919,138	232,117,255
Leasing payables (net)	8	-	-
Other financial liabilities (net)	10	-	-
Trade payables (net)	7	339,793,274	403,107,240
Due to related parties (net)	9	247,818,894	85,410,373
Advances received	21	1,366,424	248,255
Construction progress billings (net)	13	-	-
Provisions	23	22,436,354	100,661,663
Deferred tax liabilities	14	-	-
Other liabilities (net)	10	319,073,415	128,077,319
Non-current liabilities		235,231,505	109,307,379
Long-term borrowings (net)	6	212,377,624	85,522,935
Leasing payables (net)	8	-	-
Other financial liabilities (net)	10	-	-
Trade payables (net)	7	-	-
Due to related parties (net)	9	-	-
Advances received	21	-	-
Provisions	23	22,853,881	23,784,444
Deferred tax liabilities	14	-	-
Other liabilities (net)	10	-	-
Minority interest		-	-
Shareholders' equity		1,526,797,637	1,631,412,856
Share capital	25	350,910,000	350,910,000
Treasury shares	25	-	-
Capital reserves	26	465,827,553	465,630,714
Share premium		8,252	8,252
Share cancellation gains		-	-
Revaluation fund		-	-
Financial assets fair value reserve		9,597,774	9,400,935
Inflation adjustment to shareholders' equity		456,221,527	456,221,527
Profit reserves	27	459,407,421	144,132,729
Legal reserves		181,013,265	153,763,349
Statutory reserves		-	-
Extraordinary reserves		280,599,934	-
Special reserves		2	2
Investment and property sales income to be added to the capital		-	-
Cash flow hedge reserve		(2,205,780)	(9,630,622)
Translation reserve		-	-
Current year profit		80,763,600	500,850,350
Retained earnings	28	169,889,063	169,889,063
Total shareholders' equity and liabilities		2,943,746,651	2,824,297,300

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.

**STATEMENTS OF INCOME
FOR THE PERIODS ENDED 31 MARCH 2007 AND 2006**

(Amounts expressed in New Turkish lira ("YTL") unless otherwise indicated)

	Notes	31 March 2007	31 March 2006
Operating revenue			
Sales (net)	36	1,582,928,839	1,400,221,315
Cost of sales		(1,404,061,467)	(1,211,544,293)
Service income (net)	36	-	-
Other operating income	36	-	-
Gross operating profit		178,867,372	188,677,022
Operating expenses	37	(67,281,819)	(63,220,338)
Net operating profit		111,585,553	125,456,684
Other income and gains	38	7,537,953	4,122,546
Other expenses and losses (-)	38	(126,681)	(4,921,731)
Financial expenses	39	(9,798,302)	(6,674,496)
Income before monetary gain, taxes and minority interests		109,198,523	117,983,003
Monetary gain	40	-	-
Minority interests		-	-
Income taxes		109,198,523	117,983,003
Taxes on income	41	(28,434,923)	(30,817,928)
Net income		80,763,600	87,165,075
Earnings per share with a nominal value of YKr 1		0.23	0.25

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.

**STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
FOR THE PERIODS ENDED 31 MARCH 2007 AND 2006**

(Amounts expressed in New Turkish lira ("YTL") unless otherwise indicated)

	Share capital	Share premium	Inflation adjustment to shareholders' equity	Financial assets fairvalue reserve	Cash flow hedge reserve	Legal and special reserves	Extraordinary reserves	Retained earnings	Current year profit	Total shareholders' equity
Balance at 1 January 2006	350,910,000	8,252	456,221,527	56,372,747	(33,559,662)	87,699,569	118,556,085	169,889,063	398,410,813	1,604,508,394
Transfers	-	-	-	-	-	35,009,870	223,036,943	140,364,000	(398,410,813)	-
Dividend paid	-	-	-	-	-	-	-	(140,364,000)	-	(140,364,000)
Financial assets fair value increase	-	-	-	583,986	-	-	-	-	-	583,986
Net income for the period	-	-	-	-	-	-	-	-	87,165,075	87,165,075
Cash flow hedge reserve	-	-	-	-	6,177,641	-	-	-	-	6,177,641
Addition to reserve	-	-	-	-	(179,287)	-	-	-	-	(179,287)
Charged to income statement	-	-	-	-	6,356,928	-	-	-	-	6,356,928
Balance at 31 March 2006	350,910,000	8,252	456,221,527	56,956,733	(27,382,021)	122,709,439	341,593,028	169,889,063	87,165,075	1,558,071,096
Balance at 1 January 2007	350,910,000	8,252	456,221,527	9,400,935	(9,630,622)	153,763,351	-	169,889,063	500,850,350	1,631,412,856
Transfers	-	-	-	-	-	27,249,916	280,599,934	193,000,500	(500,850,350)	-
Dividend paid	-	-	-	-	-	-	-	(193,000,500)	-	(193,000,500)
Disposals and fair value increase/(decrease) of financial assets	-	-	-	196,839	-	-	-	-	-	196,839
Net income for the period	-	-	-	-	-	-	-	-	80,763,600	80,763,600
Cash flow hedge reserve	-	-	-	-	7,424,842	-	-	-	-	7,424,842
Addition to reserve	-	-	-	-	16,247	-	-	-	-	16,247
Charged to income statement	-	-	-	-	7,408,595	-	-	-	-	7,408,595
Balance at 31 March 2007	350,910,000	8,252	456,221,527	9,597,774	(2,205,780)	181,013,267	280,599,934	169,889,063	80,763,600	1,526,797,637

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.

STATEMENTS OF CASH FLOWS

FOR THE PERIODS ENDED 31 MARCH 2007 AND 2006

(Amounts expressed in New Turkish lira (YTL) unless otherwise indicated)

	Notes	31 March 2007	31 March 2006
Cash flows operating activities:			
Net income		80,763,600	87,165,075
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	19	27,729,560	52,557,889
Amortisation	20	16,942,223	16,903,945
Provision for employment termination benefits	23	406,672	1,833,256
Taxation	41	28,434,923	30,817,928
Interest income	39	(912,851)	(2,058,119)
Interest expense	39	4,550,143	3,704,329
Disposals from cash flow hedge reserve	39	7,424,842	6,177,640
Net gain on sale of property, plant and equipment	38	12,650	(186,795)
Operating profit before changes in operating assets and liabilities		165,351,762	196,915,148
Changes in operating assets and liabilities:			
Change in trade receivables	7	(1,353,589)	24,659,771
Change in due from related parties	9	(37,460,378)	(49,565,714)
Change in inventories	12	(36,890,044)	(40,095,264)
Change in other current assets	10-15	(24,903,908)	(15,714,882)
Change in other non-current assets	7	(1,327)	(246)
Change in trade payables	7	(63,313,966)	(39,754,248)
Change in due to related parties	9	162,408,521	97,664,060
Change in other current liabilities	10-21	192,114,265	148,873,555
Taxes paid	41	(100,661,663)	(100,003,229)
Dividend to be paid		(193,000,500)	(140,364,000)
Employment termination benefits paid	23	(1,337,235)	(679,435)
Net cash provided from operating activities		60,951,938	81,935,516
Cash flows used in investing activities:			
Purchase of property, plant and equipment		(31,554,001)	(29,341,735)
Purchase of intangible assets		(5,800,748)	(5,958,788)
Cash received from sale of property, plant and equipment		197,076	1,531,142
Cash received from the sale of financial assets		-	180,648
Net cash used in investing activities		(37,157,673)	(33,588,733)
Cash flows from financing activities:			
Interest paid		(4,550,143)	(1,167,548)
Interest received		912,851	2,058,479
Net change in borrowings		12,011,622	57,448,689
Net cash used in financing activities		8,374,330	58,339,620
Net decrease in cash and cash equivalents		32,168,595	106,686,403
Cash and cash equivalents at beginning of the year	4	211,706,027	223,055,981
Cash and cash equivalents at end of the year	4	243,874,622	329,742,384

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