

FORD OTOMOTİV SANAYİ A.Ş.

**INTERIM FINANCIAL STATEMENTS
AT 30 JUNE 2007**

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

FORD OTOMOTİV SANAYİ A.Ş.

BALANCE SHEETS AT 30 JUNE 2007 AND 31 DECEMBER 2006

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

	Notes	Audited 30 June 2007	31 December 2006
ASSETS			
Current assets		1,399,402,521	1,303,797,646
Cash and cash equivalents	4	224,962,047	211,706,027
Marketable securities (net)	5	-	-
Trade receivables (net)	7	285,071,880	272,571,587
Leasing receivables (net)	8	-	-
Due from related parties (net)	9	341,554,835	353,329,775
Other receivables (net)	10	1,732,402	1,708,258
Biological assets (net)	11	-	-
Inventories (net)	12	465,772,247	373,040,738
Construction contract receivables (net)	13	-	-
Deferred tax assets	14	-	-
Other current assets	15	80,309,110	91,441,261
Non-current assets		1,489,178,378	1,520,499,654
Trade receivables (net)	7	51,886	11,791
Leasing receivables (net)	8	-	-
Due from related parties (net)	9	84,530,475	88,807,786
Other receivables (net)	10	-	-
Financial assets (net)	16	17,520,027	16,535,832
Goodwill/negative goodwill (net)	17	-	-
Investment properties (net)	18	-	-
Property, plant and equipment (net)	19	1,293,137,272	1,293,639,349
Intangible assets (net)	20	93,938,718	108,620,248
Deferred tax assets	14	-	12,884,648
Other non-current assets	15	-	-
Total assets		2,888,580,899	2,824,297,300

The financial statements were approved for issuance in the Board of Directors Meeting on 3 August 2007 and signed on its behalf by Oğuz Toprakoğlu, Assistant General Manager – Finance (CFO) and by Tuncay Selçuk, Assistant General Manager – Treasury.

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

FORD OTOMOTİV SANAYİ A.Ş.

BALANCE SHEETS AT 30 JUNE 2007 AND 31 DECEMBER 2006

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

	Notes	Audited 30 June 2007	31 December 2006
LIABILITIES			
Current liabilities		906,466,193	1,083,577,065
Short-term borrowings (net)	6	3,647,051	133,954,960
Current portion of long-term borrowings (net)	6	217,018,455	232,117,255
Leasing payables (net)	8	-	-
Other financial liabilities (net)	10	-	-
Trade payables (net)	7	353,466,306	403,107,240
Due to related parties (net)	9	87,430,269	85,410,373
Advances received	21	322,750	248,255
Construction progress billings (net)	13	-	-
Provisions	23	54,140,337	100,661,663
Deferred tax liabilities	14	-	-
Other liabilities (net)	10	190,441,025	128,077,319
Non-current liabilities		329,813,109	109,307,379
Long-term borrowings (net)	6	294,107,973	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	23,748,660	23,784,444
Deferred tax liabilities	14	11,956,476	-
Other liabilities (net)	10	-	-
Minority interest		-	-
Shareholders' equity		1,652,301,597	1,631,412,856
Share capital	25	350,910,000	350,910,000
Treasury shares	25	-	-
Capital reserves	26	466,614,909	465,630,714
Share premium		8,252	8,252
Share cancellation gains		-	-
Revaluation fund		-	-
Financial assets fair value reserve		10,385,130	9,400,935
Inflation adjustment to shareholders' equity		456,221,527	456,221,527
Profit reserves	27	461,613,201	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		-	(9,630,622)
Translation reserve		-	-
Current year profit		203,274,424	500,850,350
Retained earnings	28	169,889,063	169,889,063
Total shareholders' equity and liabilities		2,888,580,899	2,824,297,300

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

**FORD OTOMOTİV SANAYİ A.Ş.
STATEMENTS OF INCOME
FOR THE PERIODS ENDED 30 JUNE 2007 AND 2006**

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

	Notes	Audited 1 January 2007 - 30 June 2007	1 April 2007 - 30 June 2007	Audited 1 January 2006 - 30 June 2006	1 April 2006 - 30 June 2006
Operating Revenue					
Sales (net)	36	3,334,298,513	1,751,369,674	3,119,350,031	1,719,128,716
Cost of sales		(2,909,442,208)	(1,505,380,741)	(2,662,261,168)	(1,450,716,875)
Service income (net)	36	-	-	-	-
Other operating income (net)	36	-	-	-	-
Gross operating profit		424,856,305	245,988,933	457,088,863	268,411,841
Operating expenses	37	(147,751,386)	(80,469,567)	(143,256,105)	(80,035,767)
Net operating profit		277,104,919	165,519,366	313,832,758	188,376,074
Other income and gains	38	17,800,604	10,262,651	9,991,400	5,868,854
Other expenses and losses (-)	38	(529,138)	(402,457)	(5,537,653)	(615,922)
Financial expenses	39	(12,120,500)	(2,322,198)	(20,513,105)	(13,838,609)
Income before monetary gain, taxes and minority interests		282,255,885	173,057,362	297,773,400	179,790,397
Monetary gain	40	-	-	-	-
Minority interests	24	-	-	-	-
Profit before tax		282,255,885	173,057,362	297,773,400	179,790,397
Taxes on income	41	(78,981,461)	(50,546,538)	(79,008,589)	(48,190,661)
Net income		203,274,424	122,510,824	218,764,811	131,599,736
Earnings per share with a nominal value of YKr 1	42	0.58	0.35	0.62	0.38

**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 30 JUNE 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	-	-	-	10,092,241	-	-	-	-	-	10,092,241
Net income for the period	-	-	-	-	-	-	-	-	218,764,811	218,764,811
Cash flow hedge reserve	-	-	-	-	11,210,858	-	-	-	-	11,210,858
Addition to reserve	-	-	-	-	(1,885,589)	-	-	-	-	(1,885,589)
Charged to income statement	-	-	-	-	13,096,447	-	-	-	-	13,096,447
Balance at 30 June 2006	350,910,000	8,252	456,221,527	66,464,988	(22,348,804)	122,709,439	341,593,028	169,889,063	218,764,811	1,704,212,304
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	-	-	-	984,195	-	-	-	-	-	984,195
Net income for the period	-	-	-	-	-	-	-	-	203,274,424	203,274,424
Cash flow hedge reserve	-	-	-	-	9,630,622	-	-	-	-	9,630,622
Addition to reserve	-	-	-	-	20,761	-	-	-	-	20,761
Charged to income statement	-	-	-	-	9,609,861	-	-	-	-	9,609,861
Balance at 30 June 2007	350,910,000	8,252	456,221,527	10,385,130	-	181,013,267	280,599,934	169,889,063	203,274,424	1,652,301,597

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

FORD OTOMOTİV SANAYİ A.Ş.

**STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED 30 JUNE 2007 AND 2006**

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

	Notes	30 June 2007	30 June 2006
Cash flows operating activities:			
Net income:		203,274,424	218,764,811
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	19	56,852,774	63,578,168
Amortisation	20	24,668,456	33,815,072
Provision for employment termination benefits	23	1,968,505	3,334,200
Taxation	41	78,981,461	79,008,589
Interest income	39	(2,592,731)	(5,450,277)
Interest expense	39	9,955,619	9,425,493
Foreign exchange (gain)/loss on financial borrowings– net		(25,978,178)	89,247,352
Disposals from cash flow hedge reserve	39	9,630,622	11,210,858
(Cancelled provisions)/Provisional expenses		(6,718,710)	3,126,957
Net gain on sale of property, plant and equipment	38	(276,053)	(366,147)
Dividend income	38	(175,749)	(56,240)
Operating profit before changes in operating assets and liabilities		349,590,440	505,638,836
Net change in assets and liabilities	43	(56,575,766)	(46,298,766)
Taxes paid		(100,661,663)	(100,003,229)
Employment termination benefits paid	23	(2,004,289)	(1,307,000)
Net cash provided from operating activities		190,348,722	358,029,841
Cash flows from investing activities:			
Purchase of property, plant and equipment	19	(57,174,516)	(78,360,610)
Purchase of intangible assets	20	(9,986,926)	(14,748,381)
Cash received from sale of property, plant and equipment		1,099,872	2,102,341
Cash received from the sale of financial assets		-	181,006
Interest received		2,747,046	5,450,277
Dividend received		175,749	56,240
Net cash used in investing activities		(63,138,775)	(85,319,127)
Cash flows from financing activities:			
Interest paid		(7,030,321)	(3,644,445)
Dividend paid		(193,000,500)	(140,364,000)
New financial borrowings		283,048,000	105,790,000
Loan repayments		(196,816,791)	(55,928,448)
Net cash used in financing activities		(113,799,612)	(94,146,893)
Net increase in cash and cash equivalents		13,410,335	178,563,821
Cash and cash equivalents at the beginning of the year	4	211,486,209	223,055,981
Cash and cash equivalents at the end of the year	4	224,896,544	401,619,802