



Doğuş Otomotiv

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Corporate Governance Principles Compliance Report

The Corporate Governance Principles as published by the Capital Markets Board of Turkey have been implemented in parallel with the explanations provided herein below at 'Doğuş Otomotiv Servis ve Ticaret Anonim Şirketi' (Doğuş Otomotiv Service and Trade Corporation) in the fiscal year ended December 31, 2008.

1. SHAREHOLDERS

1.1. Facilitating the Utilization of Shareholders' Rights

Relations with shareholders are carried out by the Investor Relations Department in our Company.

Investor Relations Department
Department Director
Dr. Berk Çağdaş

Investor Relations Specialist
Okan Şen
Phone: +90 (262) 676 90 58
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1.2. Shareholders' Exercising Their Right to Obtain Information

Phone, e-mail or one-to-one meetings without any discrimination have responded to all queries and applications received from shareholders during the reporting period. Phone calls were received from over 100 different individuals to whom information was provided upon their request at various times during the reporting period. In addition, more than 150 written applications (by e-mail and fax) were received, upon which the requested information was provided to related parties. During the reporting period, a total of 94 one-to-one meetings, 3 teleconferences with multiple participants and 2 analyst meetings were held to provide information to 187 individual and corporate investors and shareholders. All information deemed

necessary for shareholders is made available on the Doğuş Otomotiv website and regularly updated. The Company's articles of association contain no provisions stipulating the appointment of a Special Auditor as an individual right. Shareholders did not request appointment of a Special Auditor in 2008.

1.3. Information on General Assembly Meetings

The Regular General Assembly Meeting concerning the activities in 2007 was held on April 11, 2008 at 11:00 a.m. at "Doğuş Power Center Alışveriş Merkezi, Doğuş OtoMotion İstanbul, Maslak Mahallesi, Ahi Evran Polaris Cad., G-45, No:4, Maslak, Şişli-İstanbul". 2,000 shares, corresponding to TRY 2,000 were represented personally in the meeting, and 80.322.108 shares, corresponding to a share capital of TRY 80.322.108, were represented in proxy, from out of the total 110,000,000 shares, corresponding to a total share capital of TRY 110,000,000.00 Stakeholders and media representatives participated in the said General Assembly Meeting. Invitations for the meeting, in the manner set forth by the Law and the Articles of Association and including the timetable, were completed on time with announcements published in the Turkish Trade Registry Gazette dated March 25, 2008 and no. 7027, and in national editions of Sabah and Radikal newspapers dated March 25, 2008.

In order to facilitate participation at the General Assembly Meeting, the invitation was announced in national newspapers.

Minutes of the General Assembly Meeting are accessible at all times by our shareholders on our website and are also made available for examination at the Company headquarters.

1.4. Voting Rights and Minority Rights

All of the Company's share certificates are bearer certificates and grant no rights for participation in the Company profit or voting privilege.

1.5. Dividend Distribution Policy and Timing

Our Company publicly disclosed its dividend distribution policy, explained herein below and covered in our articles of association, via the Public Offering Circular and Prospectus. Based on this policy:

Net Profit of the Company

The net profit of the Company is calculated according to the Company's revenues generated from ordinary activities and extraordinary revenues and profits, less those expenses incurred in relation to such activities, depreciation and extraordinary expenses, less corporate tax and similar compulsory taxes and fund payments. Net profit, less previous years' losses, if any, is distributed in the order and manner set out below:

First Legal Reserve

Pursuant to Article 466 of the Turkish Commercial Code, 5% of the net profit shall be set aside as first legal reserve until it reaches 1/5th of the paid-in capital of the Company.

First Dividend

A first dividend shall be set aside in the ratio and in the amount taking into consideration Article 15 of the Capital Market Law and in accordance with the relevant Capital Markets Board (CMB) regulations.

However, a minimum of 50% of the distributable profit that might arise in the financial statements pertaining to the years 2004, 2005, 2006, 2007 and 2008 shall be distributed in cash or in share certificates added to the share capital pursuant to applicable legislation.

Dividends to be Distributed to Board Members

After the completion of the above mentioned deductions, the General Assembly may distribute an amount up to 4% of the distributable profit to the chairman and the members of the Board of Directors, without prejudice to the amount of first dividend.

Dividends to be Distributed to the Personnel

After the aforementioned deductions have been completed, the General Assembly may distribute an amount up to 4% of the distributable profit to personnel, without prejudice to the amount of first dividend.

Second Dividend

After the amounts mentioned above shall have been deducted from the net profit, the remaining portion may either be distributed, in part or in whole, as a second dividend, or may be set-aside as extraordinary reserves.

Second Legal Reserve

The second legal reserve shall be set aside pursuant to Article 466, paragraph 3 of the Turkish Commercial Code.

Principles Related to Distribution

i. Unless the legal reserves have been set aside as legally stipulated and unless the first dividend determined for shareholders in the articles of associations has been distributed in cash and/or in share certificates, in accordance with the means allowed and requirements imposed by the Capital Market regulations, the provisions of the applicable legislation shall be fully adhered to.

These stipulate that no decision may be taken to set aside further reserves, to carry over profit to the following year or to distribute dividends to privileged shareholders, holders of participating shares, founder's shares and ordinary bonus certificates to members of the board of directors or to officers, janitors and workers, to foundations established for various purposes and to such persons and/or establishments.

ii. Dividends are distributed equally to all shares existing as of the fiscal year, irrespective of their dates of issue and acquisition.

iii. Regulations that are already or will in the future be issued by the Capital Markets Board of Turkey in relation to dividend distribution shall be abided by.

1.6. Transfer of Shares

The Company's articles of association contain no provisions restricting the assignment of shares.

2. PUBLIC DISCLOSURE AND TRANSPARENCY

2.1. Doğuş Otomotiv Disclosure Policy

The Company formulated a disclosure policy as stated in Section II, Article 1 of the Corporate Governance Principles. The aim of the policy is to ensure necessary information flow in line with public disclosure and transparency criteria in a timely, accurate, complete, intelligible, interpretable, and easily accessible manner. The disclosure policy is carried out and coordinated to cover organization of meetings open to public, execution of relations with investors and shareholders and to keep customers informed. The Chairman, Mr. Aclan Acar, or person(s) to be authorized thereby executes the Company's disclosure policy.

The Company regards implementations oriented towards individual, corporate investors and shareholders, in addition to those geared towards its principal shareholders as a whole. In keeping with Corporate Governance Principles, the disclosure policy of the Company is established on the foundations of adherence to capital market regulations and sound relations with capital market institutions, responding to queries for information from shareholders and investors, ensuring exercise of shareholding rights as well as providing information flow, particularly in relation to General Assembly matters employing various means including the website and ensuring necessary coordination related thereto.

The Company holds biannual meetings for the purpose of keeping investors informed. Performance of the market in sectors where we operate, the Company's market share, sales figures and revenues and periodic and cumulative profit/loss data are disclosed to our investors during these meetings. In a bid to provide in-depth knowledge of the Company's activities to both individual and corporate investors and shareholders, information is also offered during visits to the showroom and logistics center. In addition, the Company shares details of major projects and other information, which is required to be disclosed in line with the body of Capital Markets Board (CMB) legislation to our investors through the mass media. All kinds of information relating to meetings are also made accessible on our website.

The Regular General Assembly Meeting is convened every year, with full efforts expended to facilitate participation of our shareholders at the General Assembly. The Company's annual reports are prepared in a form and content in compliance with legal regulations and made available in printed form, as well as on the Internet. Periodic financial statements and reports, drawn up in accordance with the CMB legislation and IFRS doctrine, are first submitted to the Istanbul Stock Exchange (ISE), published and then made available on the Internet. Financial reports are also delivered to establishments, enterprises or persons upon their request. The Company operates an active and up-to-date website accessible at www.dogusotomotiv.com.tr.

2.2. Disclosure of Material Events

In 2008, the Company made 23 material event disclosures. Additional information was provided in one occasion during the reporting period. The Company shares are not quoted on international stock markets.

2.3. Company Website and Its Content

Within the scope of public disclosure, the Company posts trade register information, the latest share-

holding structure, the board of directors, privileged shares, the latest version of the articles of association, annual reports, material event disclosures, informative presentations for investors, periodical financial statements and reports, prospectuses and public offering circulars, agendas, lists of participants and minutes of general assembly meetings, and form for proxy voting on its website accessible at www.dogusotomotiv.com.tr.

2.4. Disclosure of Non-corporate Ultimate Shareholder(s) Having a Controlling Interest

There are no non-corporate shareholders of the Company. However, non-corporate shareholders, after eliminating the effects of indirect ownership, were disclosed in the public offering prospectus issued in 2004, and the level of public awareness was deemed to be such that further disclosures on this matter were not necessary.

2.5. Public Disclosure of Those Who May Have Access to Insider Information

The list of those who may have access to insider information is publicly disclosed in the organization chart contained under the organization chart heading in the annual report.

3. STAKEHOLDERS

3.1. Keeping Stakeholders Informed

Doğuş Otomotiv Group stakeholders, namely the customers, shareholders, employees, suppliers, governmental and social milieu, are informed on topics that are of relevance to them. The process of informing comprises presenting disclosures of material events made to the ISE, the minutes of general assemblies convened, reports of independent auditors and financial statements, presentations made to individual and corporate investors and reports drawn up about the company by third parties through press releases and posting them on our website.

Evaluation of company procedures as the instruments of daily workflow, which have been developed

through considering of all functional departments' and brands' opinions by way of Process Management, is one of our regular activities. In accordance with this aim employees are informed of company-related issues via the intranet specifically devised for them.

In addition, queries or requests received by phone are taken into consideration promptly and relevant information is provided accordingly.

3.2. Stakeholder Participation in Management

Work on terms of addressing the stakeholder participation in management with regard to the Corporate Governance Principles is ongoing. Employees are involved in the decision-making mechanisms within the frame of their powers and responsibilities; in addition, online platforms are established through which they are able to share their suggestions and opinions.

In compliance with the aim of rendering more effective, efficient and quality services; holding regular meetings that serve as a tool to devise corporate policies and decisions with our stakeholders and taking appropriate measures of the evaluated results of those meetings is a part of the participation process. Our shareholders other than the controlling shareholders who directly participate in management take part in the management via the General Assembly Meetings convened.

3.3. Human Resources Policy

Doğuş Otomotiv's strength originates from its most valuable institutional asset-human resources. Within this context, human-oriented management style and likewise devised Human Resources policies constitute the starting point of our entire corporate culture and strategies. As Doğuş Otomotiv, the target of our Human Resources policy is;

- Possessing competence required by the company dynamism,
- Placing emphasis on efficiency in the organization the employee is working for,
- Adopting Doğuş Group values,

- Demonstrating an internal customer and system oriented approach within the framework of Doğuş Otomotiv’s vision, mission and strategies,
- Recruiting high performance and capable employees, to ensure their professional and individual development, and to provide them with the opportunity to utilise their potential in the most efficient manner
- **“We”**, as Doğuş Otomotiv Human Resources Department,
- **“Sincerely”**, starting off the principles of transparency and publicity,
 - We inform all our colleagues and publish on the Company’s intranet; the code of ethics, the fundamental rights and responsibilities, and procedures and regulations including Human Resources business flows and processes.
 - We provide an opportunity for all our employees to forward us their opinions through a joint sharing platform (the intranet), and we respond accordingly upon evaluation of each opinion;
 - We inform our employees of all organizational and professional changes within our organization;
 - We evaluate our employees’ opinions through regular surveys and realize necessary developmental activities, accordingly;
 - We first share career opportunities within our organization with our employees.
- **“Solve”** problems with Human Resources Portal **Dinamik**; a dynamic communication media, through which all HR processes are conducted, while reducing operational workload, saving time and allowing our managers to directly access information on employees;
- **“Apply”** human resources functions such as selection and recruitment, career planning, performance management, training and development, payroll, compensation and benefits, promotion, appointment, resignation of all the brands under the roof of Doğuş Otomotiv
- **“Develop”** all our colleagues by way of both D-İnsan Management System and all types of training activities, which have been initiated, based upon the objective of planning our employees’ short, mid- and long-term developments.

3.4. Information on Relations with Customers and Suppliers

CRM – Customer Relations Management Unit

A CRM (Customer Relations Management Unit) was set up in our Company under the Strategic Marketing and Corporate Communications Department, to direct customer satisfaction, develop initiatives that will enhance customer loyalty/profitability, ensure close communication with our customers and monitor and record our relations with customers.

The principal responsibilities of the CRM Unit include;

- Taking all necessary steps to ensure that customer data are accurately maintained, up-to-date and accessible;
- Ensuring the adoption of a customer-oriented working concept as a corporate culture across the entire organization;
- Conducting and reporting of Customer Satisfaction Market Research (CSS, CSI, DSS), NPS and Secret Customer research to improve processes; meeting research demands for brands; measurement, evaluation and reporting of results;
- Managing Lost Customer Research, performing benefit analysis at regular intervals, taking necessary steps to promote customer satisfaction in parallel with the results and managing potential customers;
- Execution, measurement and reporting of direct marketing activities (e-mail, sms, mms, direct mailing and the web) providing their optimization within the scope of permitted marketing, in parallel with demands of Authorized Dealers and Brands;
- Presenting analysis required for structuring Brands’ marketing and sales activities in accordance with the target audience;

- Managing “CRM Scorecard” designed for the purpose of measuring the effect of CRM studies on the brand performance.

Customer Complaint Management

The Company has a Customer Relations and Operations Department, which is responsible for assuring customer satisfaction. In addition to that, the Department also seeks to enhance customer retention and loyalty, records and analyzes customer complaints/requests regarding our products and services received by phone, fax, e-mail or post, and returns immediately to relevant customers with necessary responses. All efforts are taken to ensure these tasks are performed promptly and with utmost care and attention, with a view to providing customers with a service that is beyond their expectations. In addition, our call center offers emailing, telemarketing and launch services along with all of the services mentioned above. On the other hand, Customer Relations and Operations Department make optimum use of relevant tools to train, guide and constantly motivate our dealers so as to prevent customer complaints from coming into existence. The Department also supervises and provides guidance to supplier firms, providing our customers with on-the-road assistance.

Relations with Suppliers

By virtue of Doğuş Otomotiv’s organization structure, which covers all links in the automotive value chain, the company works with a wide social stakeholder network. Doğuş Otomotiv, the leading company in the Turkish import automobile market, is in transparent and close relations with international brands for which it is a distributor, as well as its employees, investors, authorized dealers, authorized service stations, the media, public authorities and business partners. These relations that date back to time the Company became the distributor of the Volkswagen and Audi brands in 1994, have been steadily improving for the last 15 years. Today, Doğuş Otomotiv is the only company in the world whose activities encompass all brands bound to the Volkswagen Group.

Doğuş Otomotiv implements long term and continuously improving business partnerships with all its social partners as of its ‘innovative service beyond expectations’ vision.

Doğuş Otomotiv has added production to its distributorship line of business partnership with the worlds leading dump producer by opening Doğuş Meiller Dump plant in June 2008. During the same period, Doğuş Otomotiv also laid the foundations of Krone Doğuş Trailer Plant which will be Turkey’s ‘first’ foreign partnership trailer production center, in Krone’s partnership.

By transferring its successful activities to Switzerland, Doğuş Otomotiv laid the foundation of Porsche authorized dealer and service center in June 2008 in Lausanne, which is due open in the last quarter of year 2009. This Porsche authorized dealer and service center is named as ‘D-Auto Suisse SA’ and is an outcome of Doğuş Otomotiv’s collaboration with its producer partner.

In 2008, a grade of 910 out of 1000 acquired by Doğuş Otomotiv-VW Brand as a result of guarantee supervision of the producer, ranked Turkey as one of the only three countries in the world that deserve class “A”. Doğuş Otomotiv Audi ranked first in technical category and third in overall classification in Twin Cup World Final where all Audi countries have participated. Like wise Scania Engines Turkey promoted to third in 2008 from a rank of fifth in highest number of sales in the world and Volkswagen Marine Turkey was ranked the second. Furthermore, Doğuş Otomotiv Scania team won the ‘Communication Award’ among 110 participant countries, which is described as the best marketing project award given by Scania, with its ‘10 Dilde Seyr’ü Sefer” booklet project.

All Doğuş Otomotiv affiliations are also creating active relations with their stakeholders, business partners and suppliers within the corporate culture framework. Within this context; Leaseplan, one of the Company’s affiliations, that is expert on operational fleet rental

has developed an 'online reporting system' in 2008 that enables to reach global information concerning its notable customers. vdf, a leading financier in automotive financing received the 'Golden Plaque' award in April 2008 from the Istanbul Chamber of Commerce on account of the corporate tax paid in 2007.

Doğuş Otomotiv acts with the principle of establishing transparent and efficient relations with all its business partners, suppliers and manufacturers. As such, it develops long-term relations with all suppliers and business partners, as it does with manufacturers.

Supplier companies are assessed based on a scoring system built upon objective and measurable criteria. Supplier companies are selected based on documentary evidence supporting their capability to fulfill purchasing terms and product/service specifications and their adequacy to sustain the same in a consistent and reliable manner. We strive to adopt an efficient and sustainable relationship in our relations with suppliers, which are shaped in accordance with our quality policies.

3.5. Social Responsibility

Traffic is Life

Doğuş Otomotiv initiated a series of social responsibility activities in 2004 with a view to promote a higher level of overall responsibility, awareness and perception about traffic among the Turkish general public, and the young generation in particular. Gathered under a single banner of "Traffic is Life", these social responsibility activities give a new dimension to traffic education.

Attracting attention by successfully directly reaching 1.5 million children through advertising campaigns such as "Trafik Temalı Müzik Yarışması", "Arka Koltuk Benim" and "Kırmızı Işıktaki Dur", Doğuş Otomotiv aims to reach a large audience and improve public awareness.. In 2008, Doğuş Otomotiv aimed to increase social consciousness about the traffic in Turkey and decrease the number of casualties

by partaking as a platform member of the project "Attention in Traffic, 10 thousand Lives", which was carried under the auspices of Turkish Republic's Presidency.

Doğuş Otomotiv-Volkswagen Training Lab, Samandıra and Şişli

In 2005, Doğuş Otomotiv started to establish training laboratories to support education in industrial and vocational colleges, as well as to provide education and job opportunities to more students.

Opening the first laboratory in the "Şişli Industrial and Vocational College" and the second in the "Kartal Samandıra Industrial and Vocational College", Doğuş Otomotiv provides training opportunities to 50 students at the Doğuş Otomotiv Volkswagen Training Laboratory each year. The educational topics taught at the laboratory include safety at work, gasoline engines, diesel engines, basic electrical and current diagrams, heating/AC and brake systems, etc. From the day of establishment and onwards, Doğuş Otomotiv has supported 58 industrial and vocational colleges; and the Company plans on opening more laboratories for training purposes in colleges in Bursa, Ankara and İzmir in the near future.

4. BOARD OF DIRECTORS

4.1. Structure and Formation of the Board of Directors, Independent Board Members

The members of the Board of Directors are Aclan Acar, Süleyman Kadir Tuğtekin, Hayrullah Murat Aka, Emir Ali Bilaloğlu, Hasan Hüsnü Güzelöz, Özlem Denizmen Kocatepe and Osman Cem Yurtbay. Aclan Acar serves as the Chairman of the Board. Although there are no independent members on our Company's Board of Directors, the Board is constituted by individuals possessing the required qualifications in line with the legal regulations.

The Board of Directors monitors the Company's strategic goals, operational results and performance indicators regularly by monthly meetings.

4.2. Qualifications of Board Members

In the election of our Company's Board members, the qualifications set forth in Section IV, Articles 3.1.1, 3.1.2 and 3.1.5 of the CMB Corporate Governance Principles are observed and the members are elected in accordance with the relevant provisions of the Turkish Commercial Code.

4.3. Vision, Mission and Strategic Goals of the Company

Doğuş Otomotiv undertook detailed work in 2006 to create its vision, mission and corporate strategies. The strategies that will guide Doğuş Otomotiv's activities in the coming years have been set by carefully blending international comparative analyses and local experiences with an extensive participation across the organization.

During 2007, extensive meetings were held periodically with the participation of company employees, as well as meetings organized with the managers, to communicate and inculcate the vision, mission and strategies defined across the company, while internal communication tools were also used to convey the same. Those defined strategies have started to be implemented in this direction in 2008 and the annual business plans of the brands and partnerships have been prepared accordingly.

Our Vision:

To provide innovative service beyond expectations.

Our Mission:

Doğuş Otomotiv is a reliable automotive company operating on a customer-oriented basis, having an insight into its sector and the expectations of its shareholders, defining new expectations and aiming to satisfy them at the highest level, possessing creative manpower and using technology in the most optimal manner in this direction, aiming to offer an efficient and profitable service throughout the automotive value chain.

Our Strategy:

BE SIZABLE – BE CLOSE – BE CREATIVE

Our fundamental corporate strategies are spelled out as follows:

BE SIZABLE;

- As Doğuş Otomotiv, achieving systematic, efficient and profitable expansion in its field of activity and growth in added value in every aspect of the value chain in Turkey and in international markets.
- Ensuring career development of its human resource both to ensure and at the same time as a result of fast and systematic evolution of this growth.

BE CLOSE;

- Acquiring an insight into our customers' expectations in the first place and of all our stakeholders in general, ensuring close and flawless relations with them and exceeding their expectations in a timely manner.
- Establishing efficient systems that will enable Doğuş Otomotiv to attain operational excellence in terms of productivity and profitability and as such, closely monitoring and analyzing the financial and operational status of the company.

BE CREATIVE;

- Creating distinction and a competitive edge through constant innovations based on a participative approach to product development, customer service and business concept.
- Developing actions and methods that will render the business "leaner, faster, cheaper", again with participation and teamwork in process improvement.

4.4. Risk Management and Controlling Mechanism

Corporate Risk Management, which was established to define the uncertainties affecting the company; to manage the company's risk taking profile and provide reasonable assurance to reach its corporate goals; has an effective structure, which is influenced

by employees, top management and the Board of Directors and utilized in terms of setting strategies and applied throughout the entire organization.

The Risk Management Committee, an ancillary to and appointed with full responsibility by the Board of Directors is tasked with advising on and coordinating the risk management praxis.

Risks that are handled in terms of likelihood, impact and process are classified as financial, operational, strategic and external risks. The Board of Directors and Audit Committee are briefed by Executive Board Presidency within the context of Risk Management by means of which all the risks that are monitored as per their contents by the related departments and Finance, Budget Planning, Risk Management, Strategy and Business Development, Controlling and Investor Relations Department.

The Controlling Division was established in August 2007 in order to monitor and develop internal control system. It operates under Finance, Budget Planning, Risk Management, Strategy and Business Development, Controlling and Investor Relations Department.

Controlling is primarily responsible to strengthen the control environment as well as to closely monitor all operations binding the company and/or bearing financial consequences, to identify potential risks and take necessary precautions, oversee targeted results and efficiency, secure financial outcomes and accountability of reports, comply with the body of current laws and procedures, inform stakeholders accurately and operate proactive decision making mechanism to the management authorities.

There exists an Internal Audit Department that functions within the framework of DOAŞ Internal Auditing Regulations, which is prepared in accordance with the International Standards for the professional practice of internal auditing and that functionally re-

ports to the Audit Committee. The Department assists the Doğuş Otomotiv Group companies to reach their organizational targets by bringing about a systematic and a disciplined approach in the sense of raising the efficiency about risk management, control and management processes.

The Audit Committee is constituted from the members of Board of Directors and acts in compliance with the Audit Committee charter.

The Audit Committee helps with the Board of Directors in accounting, auditing, internal control system and financial reporting applications.

4.5. Authority and Responsibilities of Board Members and Executives

The duties and power of the Company's Board Members and executives are spelled out in articles 9, 12 and 13 of the articles of association.

4.6. Operating Principles of the Board of Directors

Board of Directors meetings are set at the start of each year and communicated to participants. The Board meets at least monthly and the meeting dates are circulated to all members in advance of such meetings.

The Board secretariat prepares a draft agenda based on input from the Chairman and sends it to other Board members. Upon consideration by the Chairman of Board members' suggestions to add or change agenda items, the agenda is finalized.

The issues discussed in the Board meeting are entered into minutes and kept on file.

Board members may express opposing views on any issue and enter their commentaries in related resolutions.

There are no independent members on the Company's Board of Directors.

4.7. Prohibition on Carrying Out Business and Competing with the Company

The Company adopted the arrangements to be drawn up in parallel with Articles 334 and 335 of the Turkish Commercial Code and based on the relevant General Assembly resolution with regard to whether or not to implement the prohibition on doing business and competing with the Company for the Company's Board of Directors during the reporting period, and regarding the issues relating to conflicts of interest that may result from the Board members' carrying out business and competing with the Company.

4.8. Code of Ethics

As Doğuş Otomotiv Group's Human Resources Department, we have established an "Ethical Principles Procedure" which;

- Sets forth the codes of conduct regulating Doğuş Otomotiv employees' relations with customers, suppliers and other firms and individuals with commercial relations with the Company and the media within the frame of Doğuş Group values, corporate culture and strategies;
- Sets forth applicable ethical principles and values on time and resource utilization, privacy and safety of information belonging to the company, and activities that would lead to conflicts of interests.

"Ethical Principles Procedure" is formed and is made available to all our employees on the intranet.

The Disciplinary Regulation spells out in writing the behavior conflicting with the ethical principles covered in the Procedure, contradicting with the laws, the value judgments of the society and of our Company, as well as those infringing the rights of employees or customers, and hurting the Company and/or individuals. The disciplinary actions applicable in the event of such misconduct are also described therein. The relevant Regulation prepared by

the Human Resources Department was published with an announcement and made available on the intranet and is accessible by all employees.

4.9. Number, Structures and Independence of the Committees under the Board of Directors

The Committees, their members and presidents set by the Board of Directors are presented below:

- Audit and Risk Committee: Murat Aka (President), Süleyman Tuğtekin (Member)
- Dealer Development Committee: Cem Yurtbay (President)
- Logistics Committee: Süleyman Tuğtekin (President)
- Human Resources Committee: Aclan Acar (President)
- Strategic Planning, Business Development and Investor Relations Committee: Özlem Denizmen Kocatepe (President)
- Legal Committee: Hasan Güzelöz (President), Murat Aka (Member)
- Corporate Governance Committee: Aclan Acar (President)
- Overseas Brand Communication and Management of Governmental Relations: Aclan Acar (President)

4.10. Remuneration of the Board of Directors

Dividend payments can be made to the Company's Board of Directors in accordance with the relevant provisions of the articles of association, if and to the extent approved by the General Assembly.

Information on the Capital Structure and Stocks

1. INFORMATION ON THE CAPITAL STRUCTURE AND SHAREHOLDING

No changes occurred in the Company's issued share capital during the reporting period.

The current shareholding structure of our company is as follows:

Shareholding Structure

	Nominal Value (TRY)	%
Doğuş Holding A.Ş.	38.730.609	35,21
Free Float	37.950.000	34,50
Doğuş Araştırma Geliştirme ve Müşavirlik Hizmetleri. A.Ş.	33.319.043	30,29
Other Doğuş Group Companies	348	0,00
TOTAL	110.000.000	100

Dividends distributed from the 2005 profit amounted to TRY 0.4113 per TRY 1.00 nominally valued share for legal entities and TRY 0.3702 per TRY1.00 nominally valued share for real persons (after the 10% Income Tax deduction). A dividend of TRY 0.0617 per TRY 1.00 nominally valued share was distributed to legal entities and TRY0.0555 per TRY 1.00 nominally valued share was distributed to real persons (after the deduction of 10% Income Tax) from the company's 2006 profit. Dividends distributed from the 2007 profit amounted to a gross amount of TRY 0.2048 and a net amount of TRY 0.1741.

2. INFORMATION ON DOĞUŞ OTOMOTIV STOCKS

Reuters symbol: DOAS.IS

Bloomberg symbol: DOAS.TI

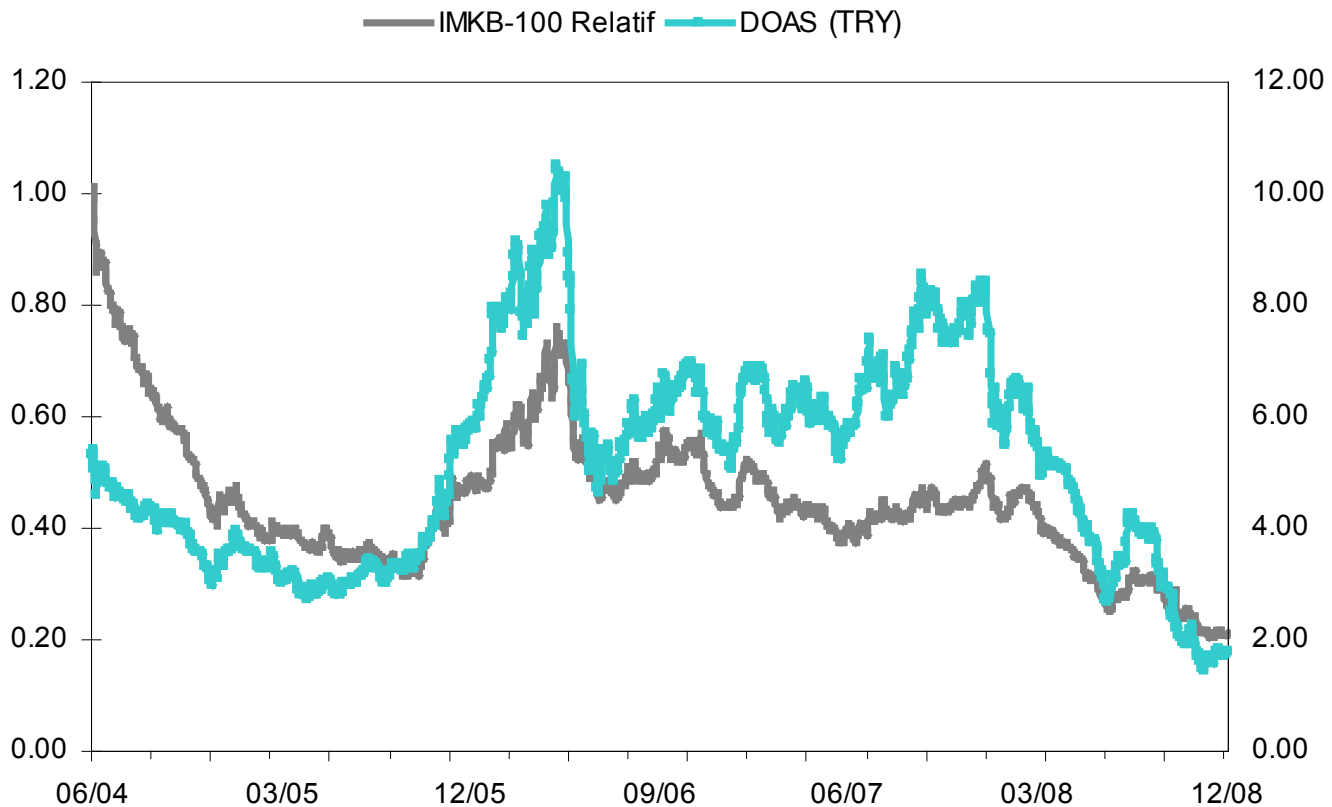
The initial public offering of Doğuş Otomotiv shares took place on June 17, 2004 and the Company's shares are traded on the Istanbul Stock Exchange Market (ISE) under the "DOAS.IS" ticker.

Performance*

Closing Price (TRY)	1.77
52 weeks – Highest (TRY) (January 14, 2008)	8.79
52 weeks – Lowest (TRY) (November 20, 2008)	1.40
Monthly % change	3.50
Quarterly % change	-38.54
Semiannual % change	-40.20
Annual % change	-79.77

* Figures are as of December 31, 2008.

Source: Reuters



GENERAL AND ADMINISTRATIVE ACTIVITIES

1. OPERATIONAL HIGHLIGHTS

Our Company's realized operational highlights are as follows:

	2006	2007	2008	% Change
Sales Units	77,711	71,690	55,307	-23
Imports (Excluding Skoda, Million Euros)	1,219	1,167	976	-16
Number of Personnel	1,694	1,951	1,769	-9

2. INFORMATION ON SENIOR EXECUTIVES, 2008

2.1. Board Members

Name&Surname	Position
Aclan Acar	Chairman
Süleyman K. Tuğtekin	Vice Chairman & Member of Audit Committee
Murat Aka	Member & Head of Audit Committee
E. Ali Bilaloğlu	Member
Özlem Denizmen Kocatepe	Member
Hasan Hüsni Güzelöz	Member
Cem Yurtbay	Member

2.2. Employees Involved in the Management

Name, Surname	Position	Education
E. Ali Bilalođlu	General Manager-CEO, Doğuş Otomotiv	MSc. Engineering
Deniz Güven	General Manager, Strategic Marketing and Corporate Communications	Graphical Arts
Dr. Berk Çađdaş	General Manager Finance, Budget Planning, Risk Management, Investor Relations, Strategy and Business Development, Controlling	Management Engineering Management / MBA,Phd
Mustafa Ali Barut	General Manager, Operations	Business Administrations
Anıl Gürsoy	Brand General Manager, Porsche & Seat	Business Administrations
Bülent Güler	General Manager, Dogus AUTO MISR	Mechanical Engineer / Contemporary Management Techniques
Giovanni Atilla Gino Bottaro	Brand General Manager, Audi & Bentley & Lamborghini & Bugatti	Mechanical Engineer / International Trade
İlhami Eksin	Brand General Manager, DOD & VW & Scania Industrial and Marine Engines	Economics
Kerem Galip Güven	Brand General Manager, VW Commercial Vehicles	Tourism and Hotel Management
Mustafa Karabayır	General Manager, Logistics Services	Geology Engineer / Civil Engineer
Tolga Senyücel	Brand General Manager, Scania & Krone & Meiller	Business Administration / MBA
Vedat Uygun	Brand General Manager, VW Passenger Cars	Mechanical Engineer / MBA
Zafer Başar	General Manager, Doğuş Oto Pazarlama ve Ticaret A.Ş.	Business Administration

2.3. Employees Involved in the Management

Name, Surname	Previous Position	Education	Positions Held in the Partnership During Last 5 Years	Current Position	Reason of Change
Bekir Sedat Yavuz	General Manager, Dogus AUTO MISR	Civil Engineer / MSc.	General Manager		Left the Group
Bülent Güler	Marketing Manager VW Commercial	Mechanical Engineering / Contemporary Management Techniques	Manager	General Manager, Dogus AUTO MISR	Appointed by General Manager
Ela Kulunyar	Director, Human Resources	Business Administration	Director	Director, Human Resources	Newly Appointed
Mustafa Tuğrul Denizaşan	Brand General Manager, VW & Scania Industrial and Marine Engines	Economics	General Manager		Left the Group
Okan Özkaynak	Director, Foreign Investments	Mechanical Engineering	Director	Director, Foreign Investments	Newly Appointed
Yeşim Yalçın Kenber	Director, Internal Audit	Economics	Director	Director, Internal Audit	Newly Appointed

REGARDING THE ARTICLES OF ASSOCIATION WITHIN THE TERM

Our Company accepted the registered capital system as of the permission given by Capital Market Board on March 20, 2008 number 319, and therefore it has changed the related article number 6 of its main articles of association. Amendment made to the article is presented as follows by its former and amended form.

Article 6 – ITS CAPITAL:

FORMER TEXT

The registered capital of the company is TRY 110,000,000 (hundred and ten millions). This total capital is divided in to 110,000,000 bearer stocks and it is a fully paid up capital.

Board if Directors suggests General Assembly for a capital increase by way of issuing bearer stocks in accordance with the related regulations, Turkish Commercial Law and Capital Markets Law.

Article 6 – ITS CAPITAL:

NEW TEXT

The Company accepted the registered capital system as of the permission given by Capital Market Board on March 20, 2008 number 319.

Company's upper limit of registered capital is TRY275, 000,000.00 (two hundred and seventy five million of New Turkish Lira) and is divided into 275,000,000 (two hundred and seventy five million) shares, each of which has a nominal value of 1TRY (One New Turkish Lira).

The permission on upper limit of registered capital given by Capital Markets Board is valid between 2008-2012 (5 years). Even if that permitted upper limit is not reached at the end of 2012, Board of Directors needs a new authorization from the General Assembly to apply to CMB for a new permission of the same or a different limit amount. In case the above-mentioned authorization is not obtained the Company will be considered to have quitted the registered capital system.

Company's issued capital is TRY110,000,000.00 (hundred and ten millions) and it is divided in to 110,000,000 bearer stocks each of which has a value of 1TRY.

The Board of Directors is entitled to; issue shares to raise the issued capital to be able to reach it's registered capital's upper limit, issue shares that have higher value than their nominal value and limiting partially or wholly the shareholders' right to buy new shares in accordance with the CML (Capital Markets Law) and related regulations.

Dividend Distribution Proposal

DOĐUŐ OTOMOTİV SERVİS VE TİCARET ANONİM ŐİRKETİ BOARD OF DIRECTORS RESOLUTION

Meeting No : 2009/
Meeting Date : 10/04/2009
Meeting Place : Company Headquarters

The Board of Directors held a meeting chaired by Aclan Acar and discussed the following issues:

According to the independently audited consolidated financial statements in compliance with the International Financial Reporting Standards as per Capital Markets Board Notification Serial: XI No: 29, losses have occurred as a result of operations in 2008.

It is unanimously decided the proposition about carrying the losses occurred in 2008 to the “Retained Losses Account” and not allocating any profit in compliance with the attached statement of profit appropriation is to be suggested to the General Assembly.

Chairman of the Board of Directors
Aclan Acar

Vice Chairman of the Board of Directors
Süleyman Kadir Tuğtekin

Member of the Board of Directors
Hayrullah Murat Aka

Member of the Board of Directors
Emir Ali Bilalođlu

Member of the Board of Directors
Hasan Hüsnü Güzelöz

Member of the Board of Directors
Özlem Denizmen Kocatepe

Member of the Board of Directors
Osman Cem Yurtbay

Dividend Distribution Table

2008 DIVIDEND DISTRIBUTION TABLE (TRY)

1-	Paid-in/Issued Capital		110,000,000.00
2-	Total Legal Reserves (According to Legal Records)		38,146,419.60
	Information on privilege, if granted for profit distribution by the articles of association		-
		According to CMB	According to Legal Records
3-	Current Period Profit	-135,450,000.00	-67,919,560.70
4-	Taxes Payable (-)	25,174,000.00	-
5-a	Minority Shareholder Interests	-527,000.00	-
5-b	Net Profit for the Period (Parent)	-109,749,000.00	-67,919,560.70
6-	Losses in Prior Years (-)	-	-
7-	First Legal Reserves (-)	-	-
8-	NET DISTRIBUTABLE PROFIT FOR THE PERIOD	-109,749,000.00	-
9-	Donations during the Fiscal Year	737,511.00	-
10-	Net Distributable Profit for the Period including Donations, based on which First Dividend will be Computed	-109,011,489.00	-
11-	First Dividend to Shareholders	-	-
	- Cash	-	-
	- Bonus Shares	-	-
	- Total	-	-
12-	Dividends Distributed to Owners of Privileged Shares	-	-
13-	Dividends Distributed to Board of Directors Members, Employees etc.	-	-
14-	Dividends Distributed to Owners of Redeemed Shares	-	-
15-	Second Dividend to Shareholders	-	-
16-	Second Legal Reserves	-	-
17-	Statutory Reserves	-	-
18-	Special Reserves	-	-
19-	EXTRAORDINARY RESERVES	-	-
20-	Other Resources to be Distributed	-	-
	- Previous Year Profit	-	-
	- Extraordinary Reserves	-	-
	- Other Distributable Reserves as per the Law and the Articles of Association	-	-

INFORMATION ON DISTRIBUTED PROFIT

DIVIDEND PER SHARE	TOTAL AMOUNT OF DIVIDENDS (TRY)	DIVIDEND CORRESPONDING TO SHARE WITH A NOMINAL VALUE OF TRY 1	
		AMOUNT (TRY)	%
- GROSS	-	-	0.00
- NET	-	-	0.00

RATIO OF DISTRIBUTED DIVIDENDS TO NET DISTRIBUTABLE PROFIT FOR THE PERIOD INCLUDING DONATIONS

AMOUNT OF DIVIDENDS DISTRIBUTED TO SHAREHOLDERS (TRY)	RATIO OF DIVIDENDS DISTRIBUTED TO SHAREHOLDERS TO NET DISTRIBUTABLE PROFIT FOR THE PERIOD INCLUDING DONATIONS (%)
-	0.00

Audit Report

To the General Assembly of DOĞUŞ OTOMOTİV SERVİS VE TİCARET A.Ş.

Company Name	: Dođuş Otomotiv Servis ve Ticaret A.Ş.
Headquarters	: Maslak Mahallesi, G-45, Ahi Evran Polaris Caddesi, No: 4 Ayazađa-Maslak / İSTANBUL
Registered Capital	: TRY 275,000,000,-
Paid-up Capital	: TRY 110,000,000,-
Field of Activity	: Automotive Imports and Sales
Statutory Auditors' names, surnames and terms of office, and whether they are shareholders or employees of the Company	: Murat İNAN Alp KINAY Appointed for three years by General Assembly on 27.03.2006. They are not shareholders or employees of the Company.
Number of Board of Directors meetings participated in, and number of Board of Auditors meetings held	: 1 Board of Directors meetings were participated in. 4 Board of Auditors meetings were held.
Scope, dates and conclusion of the examination made on the accounts, books and documents of the Company	: In the audits performed, it was established that the transactions are duly carried out in compliance with the Turkish Commercial Code, the Company's articles of association, the resolutions of the General Assembly, the Board of Directors, and the provisions of applicable legislation.
Number and results of the cash counts held in the Company's pay desk pursuant to Article 353, paragraph 1, subparagraph 3 of the Turkish Commercial Code	: The pay desk of the Company was checked and counted four times and it was established that the cash holdings conformed to the records.
Dates and results of the examinations made pursuant to Article 353, paragraph 1, subparagraph 4 of the Turkish Commercial Code	: Assets of the Company were audited each month and it was established that they conformed to the records.
Complaints and irregularities received and the actions taken in relation thereto	: We have received no irregularities or complaints since the date we were appointed as statutory auditors on 27 March 2006.

We have examined the accounts and transactions of Dođuş Otomotiv Servis ve Ticaret A.Ş. for the period 01 January 2008 – 31 December 2008 with respect to their compliance with the Turkish Commercial Code, the Company's articles of association, and other applicable legislation, as well as generally accepted accounting principles and standards.

In our opinion, the attached balance sheet drawn up on 31 December 2008, the contents of which we acknowledge, fairly and accurately presents the Company's financial status on the date and the income statement for the period 01 January 2007 – 31 December 2008 fairly and accurately presents the operating results for the period and are found to be in compliance with the laws and the Company's articles of association.

We hereby submit the balance sheet and income statement for your approval and the acquittal of the Board of Directors for your voting.

Respectfully yours,

BOARD OF AUDITORS

Murat İNAN

Alp KINAY

