

Arçelik A.Ş.

2008, 1st Half Financial Results

General

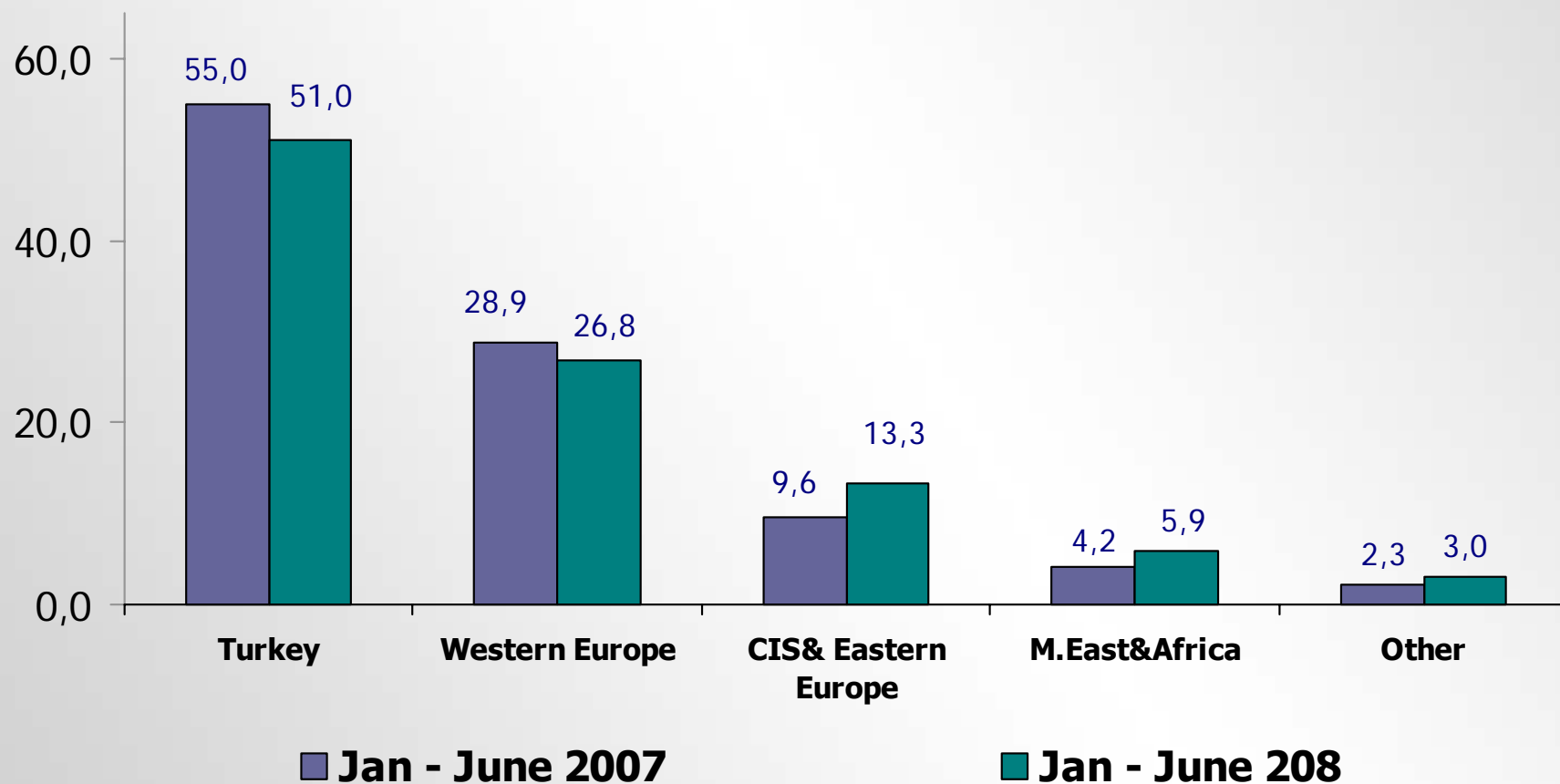
- Revenue of TRY 3,3 bio (€ 1,78 bio)
- Sustained high profitability margins despite negative market conditions
- Increasing sales performance in the developing markets
- Continuing development in the consumer electronics business
 - Increase in gross profit and LCD unit sales

Sales Performance

White Goods Sales

- Total white goods unit sales was 4,92 mio, decreasing by %2,3
- Arcelik's average domestic market share was 54-55%
- Despite the decline in the Western Europe sales, the international white goods sales have continued to increase with the help of increased sales in the developing countries

Regional Breakdown of Revenue (%)



Breakdown of White Goods Sales

Units ' 000	H1 2008	H1 2007	% Change
5 MAIN PRODUCTS-TOTAL	4.922	5.039	-2,3
Refrigerator	1.893	2.061	-8,1
Washing Machine	1.380	1.457	-5,3
Dishwasher	765	704	8,7
Oven	762	718	6,2
Dryer	121	99	23,0

TV Unit Sales

Unit '000	H1 2008	H1 2007	% Change
Total	1.448	1.653	-12
<i>CRT</i>	<i>753</i>	<i>1.256</i>	<i>-40</i>
<i>LCD</i>	<i>695</i>	<i>397</i>	<i>75</i>
Domestic	450	512	-12
<i>CRT</i>	<i>332</i>	<i>464</i>	<i>-28</i>
<i>LCD</i>	<i>118</i>	<i>48</i>	<i>145</i>
International	998	1.141	-13
<i>CRT</i>	<i>421</i>	<i>792</i>	<i>-47</i>
<i>LCD</i>	<i>577</i>	<i>349</i>	<i>65</i>

Financial Performance

Revenue (TRY)

TRY Million	H1 2008	H1 20078	% Change
Revenue	3.338	3.413	-2,2
<i>Gross Profit %</i>	<i>28,2</i>	<i>26,9</i>	
<i>White Goods Revenue</i>	<i>2.069</i>	<i>2.133</i>	<i>-3,0</i>
<i>Gross Profit %</i>	<i>33,9</i>	<i>33,9</i>	
<i>Electronics Revenue</i>	<i>692</i>	<i>663</i>	<i>4,4</i>
<i>Gross Profit %</i>	<i>21,3</i>	<i>14,3</i>	
<i>Other</i>	<i>578</i>	<i>617</i>	<i>-6,3</i>
<i>Gross Profit %</i>	<i>16,3</i>	<i>15,9</i>	

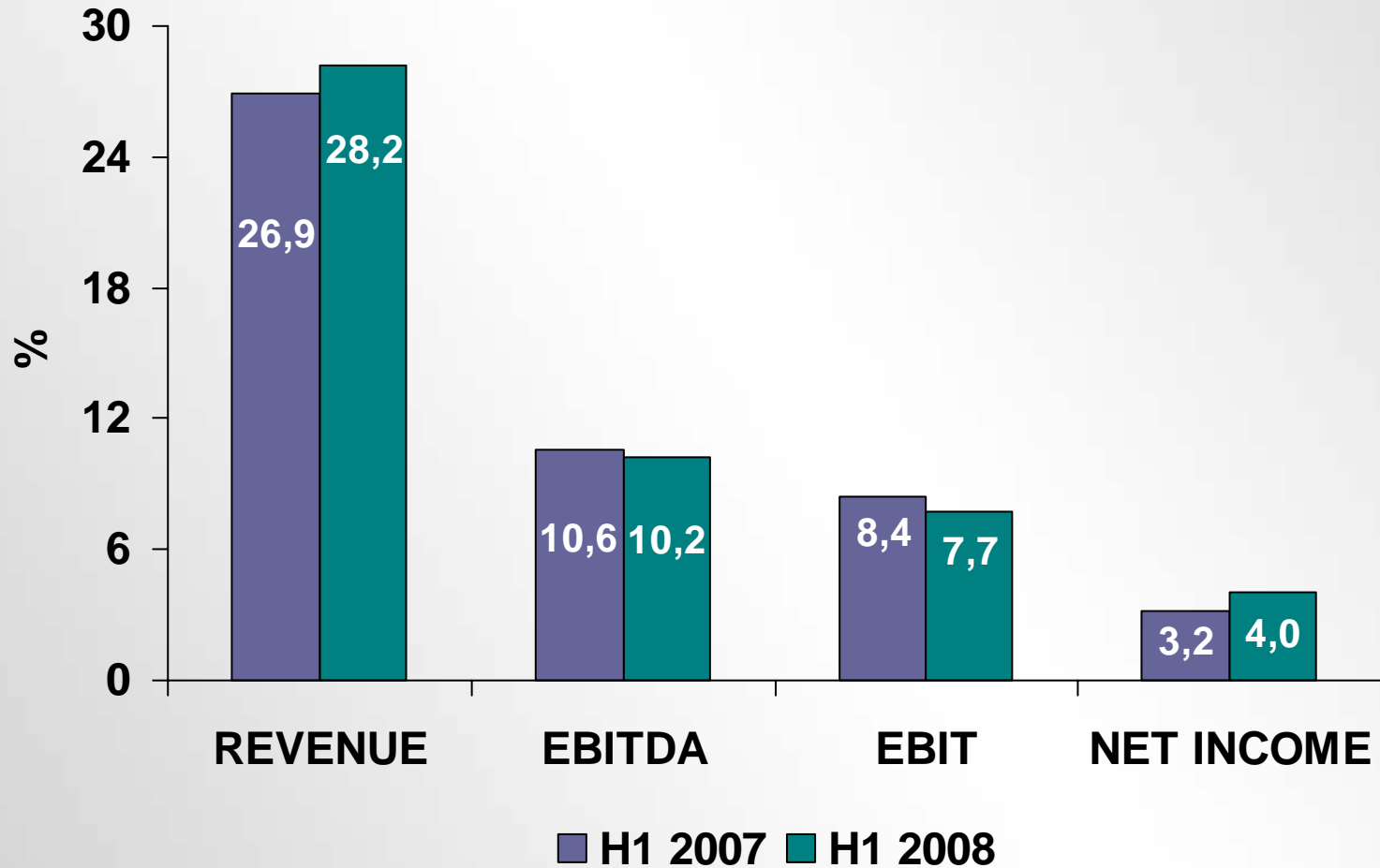
Income Statement (TRY)

TRY Million	Q2 2008	Q2 2007	% Change	H1 2008	H1 2007	% Change
Revenue	1.803	1.777	1,5	3.338	3.413	-2,2
Gross Profit <i>margin</i>	552 <i>30,6</i>	441 <i>24,8</i>	24,9	943 <i>28,2</i>	917 <i>26,9</i>	2,8
EBITDA <i>margin</i>	196 <i>10,9</i>	142 <i>8,0</i>	38,0	340 <i>10,2</i>	362 <i>10,6</i>	-6,1
EBIT <i>margin</i>	157 <i>8,7</i>	105 <i>5,9</i>	49,2	258 <i>7,7</i>	286 <i>8,4</i>	-9,9
Net Income <i>margin</i>	80 <i>4,4</i>	33 <i>1,9</i>	137,7	135 <i>4,0</i>	108 <i>3,2</i>	25,5

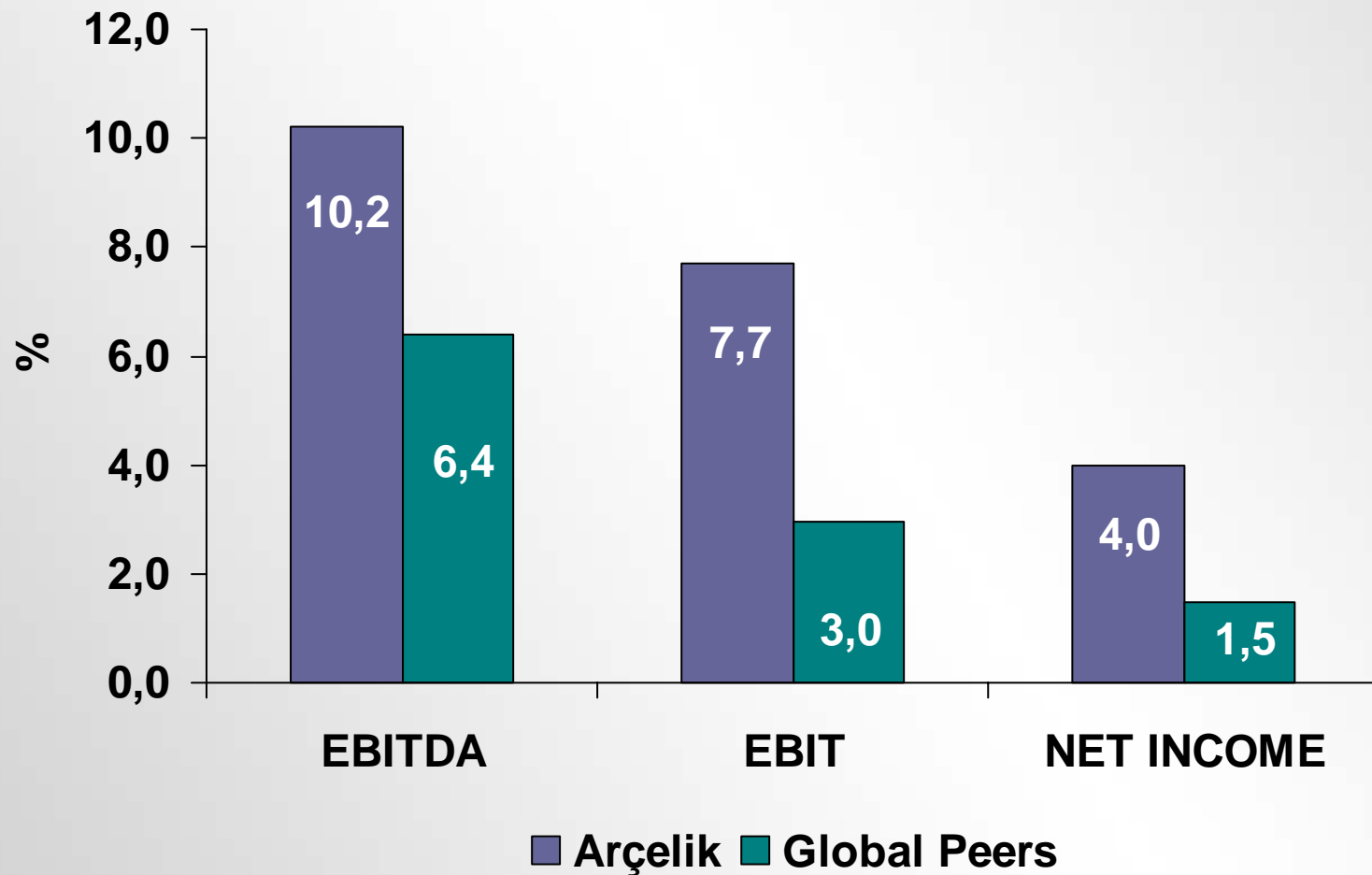
Income Statement (€)

€ Million	Q2 2008	Q2 2007	% Change	H1 2008	H1 2007	% Change
Revenue	922	987	1,5	1.778	1.878	-5,3
Gross Profit	284	246	15,6	502	505	-0,5
<i>margin</i>	<i>30,6</i>	<i>24,8</i>		<i>28,2</i>	<i>26,9</i>	
EBITDA	101	80	26,9	181	199	-9,1
<i>margin</i>	<i>10,9</i>	<i>8,0</i>		<i>10,2</i>	<i>10,6</i>	
EBIT	81	59	37,6	137	157	-12,8
<i>margin</i>	<i>8,7</i>	<i>5,9</i>		<i>7,7</i>	<i>8,4</i>	
Net Income	41	19	117,4	72	59	21,5
<i>margin</i>	<i>4,4</i>	<i>1,9</i>		<i>4,0</i>	<i>3,2</i>	

Profitability Margins



Margin Comparison – H1 2008



Balance Sheet

€ Million	30.06.2008	31.12.2007
Size of Balance Sheet	3.665	3.816
Trade Receivables	1.473	1.439
Inventory	640	647
Property, Plant and Equipmet-Net	634	705
Trade Payables	458	421
Financial Debt	1.681	1.796
Minority Interest	37	17
Total Equity	1.142	1.255

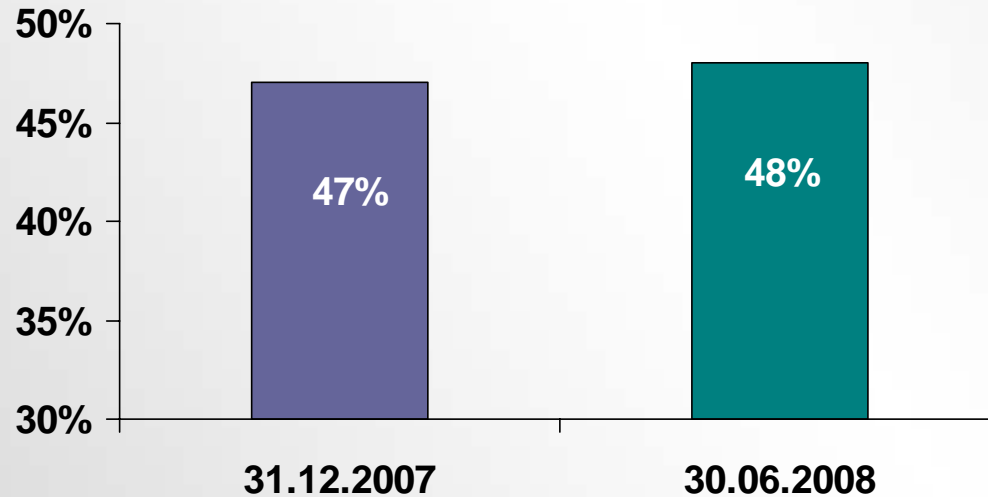
Key Ratios

	30.06.2008	31.12.2007
Current Ratio	1,27	1,31
Leverage (%)	69	67
S/T Fin.Debt / Total Fin. Debt	0,68	0,68
Total Financial Debt / Equity	1,47	1,43

Working Capital

TRY Million	FX Basis	TRY Basis	Total	TRY Million	FX Basis	TRY Basis	31.12.2007
S/T Trade Receivable	853	1.968	2.821	S/T Trade Payables	149	672	822
Other Receivables	18	53	71	Other Payables	111	36	146
Inventory	446	787	1.233	Working Capital	1.057	2.100	3.157

Working Capital / Sales



Cash Flow

€ Million	30.06.2008	30.06.2007
Begining Balance	161	159
Net Operational Cash Flow	81	2
CapEx (Net)	-76	-67
Dividend Paid	-53	-110
Other Financial Operations	-86	-71
Changes in Cash	-134	-246
Changes in Financial Borrowings	76	205
Ending Balance	103	117

New Products & Awards

New Products & Awards

- The new Divide and Cool Technology



New Products & Awards

- LCD TV consuming zero energy at stand-by position
- IF Design 2008 Award winner 42" LCD



New Products & Awards

- Beko branded vacuum cleaner with Red Dot Design Award
- High ranking Blomberg branded dishwasher in German StiWa test-quality evaluation



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