

## Trade and Industry

### TEXTILE

#### BOSSA

Established in 1951, Bossa is one of Turkey's largest vertically integrated textile manufacturers and has four production plants located on an area of 110 hectares; it employs a workforce of more than 2,800. Bossa manufactures a diverse range of fabrics for formal and smart casual wear, denims, sportswear and shirts, with a total of 84.5 million meters of annual production capacity.

Bossa's main marketing strategy is based on developing high quality innovative products, exclusive services with more rapid responses while ensuring high levels of customer satisfaction through an extensive sales network and employing a dynamic price policy.

The Company's close relationships with some of the world's leading designers and brands for each of the three production lines attest to its innovative, pioneering and R&D oriented operations. Behind this success lies a strong management, a rich resource of human resources, a wide sales network, high quality products geared towards the world of high fashion, an extensive collection, large scale and flexible production, modern IT technology and a strong financial structure.

Having been awarded the ISO 9001 Quality Assurance Certificate, Bossa strives and focuses on both setting itself apart in the development of its products and in the creation of an integral and continuous innovative system in every aspect of its business.

Bossa's total production reached 59.5 million meters of denim and sportswear, formal and smart casual wear and shirting material in 2007. Total sales were recorded at US\$ 253 million, while machinery and equipment investments reached approximately US\$ 5.3 million in 2007.

Bossa's shares are listed on the Istanbul Stock Exchange with a free float of 32.2%.

#### YÜNSA

Established in 1973, Yünsa is the largest worsted wool fabric producer in both Turkey and Europe as a whole and Turkey's leading worsted wool fabric exporter. The company has doubled its production capacity in the last four years; its capacity now stands at 12.8 million meters of fabric. Yünsa, with its vision, high product quality, market position and flexibility of production, ranks among the world's top five worsted fabric producers.

Yünsa has the ability to adapt rapidly to changing market conditions and trends thanks to its customer-centric approach. The company's differentiation strategy keeps it ahead of the competition as it achieves ever greater success.

With over 900 customers in 33 countries around the world, Yünsa's total sales grew by 21.1% in 2007 when compared to its 2006 sales figures. Its sales are export oriented with US\$ 69.4 million, or 60.4% of the total US\$ 115 million in revenue realized through exports during 2007. Yünsa expects to enhance its export and domestic sales performance further in 2008. This year Yünsa initiated a new partnership - SKT Giyim Sanayi, with the Basmacı Group, a well-known men's apparel manufacturer with an extensive store network under the UPTOWN brand. The new firm, in which Yünsa holds a 69.99% stake, operates under the same brand name with a rapid rate of growth and the development of new store openings.



A new development for 2007 was the launch of the “Yünsa Touch” project. In this project, with the application of extensive expertise of Yünsa's technical and sales teams, the products of Yünsa are manufactured out of the Çerkezköy plant. Through “Yünsa Touch”, traditional and guaranteed Yünsa quality fabrics are available to customers at Yünsa service standards. The infrastructure of the project was completed in 2007, and Yünsa aims to further develop and expand the project in 2008.

In line with its notion of corporate excellence, Yünsa moved forward with the application of the EFQM Excellence Model in 2007, an expression of Yünsa's ultimate dedication to expand excellence and quality and apply this principle in each process of its operations.

While Yünsa has adopted ISO 9001 Quality Standards, the Hohenstein Institute in Germany licensed the operation with the Eko-Tex 100, which certifies that Yünsa's products do not present any hazards to the environment or human health.

Yünsa's shares are listed on the Istanbul Stock Exchange with a free float of 27%.

## ADVANSA

Following the sales of the PET, PTA and Preform businesses to the Spanish La Seda Group in 2006, Advansa has maintained its position as Europe's leading integrated polyester manufacturer with a focus on its staple, yarn and polymer facilities in Turkey and Germany.

The industry has been hit by the effects of a glut of new production capacity from eastern manufacturers since 2000, rising oil prices - which have pushed prices of polyester raw materials higher - and increasing ready-made garment imports to Europe and the USA following the elimination of quotas. Further to the aforementioned facts, the mounting strength of the New Turkish Lira has also had an adverse effect on Turkish manufacturers.

Always with a close eye on the dynamics of the industry, Advansa took certain measures to minimize the effects of the negative business environment. The product range of staple fiber and yarn was optimized and the ratio of specialty and niche products was increased in place of standard products. Investments in staple fiber production targeting customers in sectors other than the textile industry also commenced in 2007.