

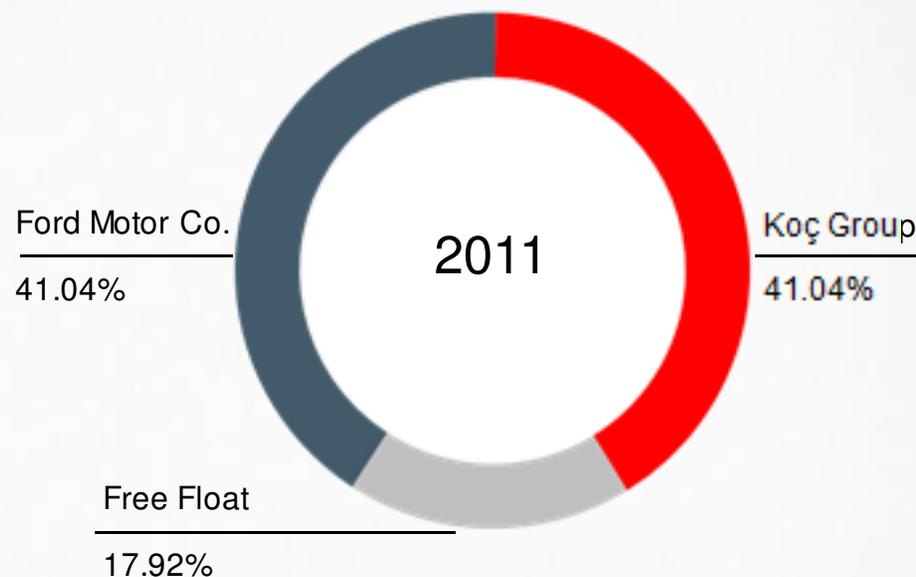
FORD OTOSAN

Investor Presentation

December 2012

Company Profile

Key Performance Indicators, 2011		
Net Sales		\$ 6.3 billion
Export Revenues		\$ 3.5 billion
EBITDA		\$ 524 million
Profit Before Tax		\$ 479 million
Net Profit		\$ 396 million
EBITDA margin		8.7%
Annual Production Capacity		330,000
	Kocaeli	320,000
	İnönü	10,000
Total Employees		9,581
	Blue Collar	7,414
	White Collar	2,167



Ford Otosan at a Glance

Pioneer of the Turkish automotive industry

- First Turkish passenger car Anadol (1966)
- Turkey's first private R&D center in automotive (1975)
- Turkey's first domestic diesel engine Erk (1986)
- First export of Turkish automotive to the US (2009)

Strong value contribution

- Istanbul Chamber of Industry's Turkey's Top 500 Industrial Enterprises 2011 list – 2nd place
- Export leader in Turkish automotive; 2nd largest exporter overall
- Listed among the world's top 1000 companies by R&D investment according to the 'EU Research & Development Investment Scoreboard'

Leadership and scale

- 10 consecutive years of market leadership
- Market leader in 63 cities in Turkey (out of 81)
- Widest product range in Turkish automotive
- 54% of Turkey's total commercial vehicle production
- 61% of Turkey's total commercial vehicle exports

2011: A Year of Records for Ford Otosan

Market Leader for **10 consecutive years**

Turkish Industry Volume	907K	RECORD
Retail Sales Volume	142K	RECORD
Exports	US\$ 3.5 billion	Export leader in Turkish Automotive
Wholesale Volume	354K	RECORD
Production Volume	296K	RECORD
Total Employment	9,581	RECORD
PD Engineers	1,024	RECORD
Investment Announcement	US\$ 1 billion	RECORD
Dividends Paid	TL 519 million	RECORD



Brief History

First automotive production starts in Turkey under license agreements in a heavily protected domestic economy.



Turkey takes first steps to liberalize its economy and integrate with the rest of the world.



Customs Union is signed with the EU in 1996. Exports start to increase. Incentives are introduced for production in Turkey.



Turkey becomes a major hub in automotive production and moves up the value chain, from an assembly center to full product development and manufacturing with focus on R&D.



Turkey is the 15th largest auto manufacturing hub in the world and 5th largest among EU 27 countries.



First Years

1980s

1990s

2000s

2010s

1928 – Vehbi Koç is assigned as Ankara Ford dealer
 1959 – Otosan is founded as Ford assembler in Turkey
 1960 – Otosan's first production: Ford Consul
 1966 – Otosan produces the first Turkish car Anadol
 1967 – Otosan produces its first Transit

1982 – İnönü Plant opens
 1983 – Cargo production starts
 1983- Ford Motor Co. increases its share in Otosan to 30%
 1985 – Production of Ford Taunus
 1986 – Otosan produces Turkey's first diesel engine ERK

1992 – Production of the new generation Transit
 1993 - Production of Ford Escort
 1997 – Ford assumes 41% equity in 'Ford Otosan'
 1998 – Ford Otosan spare parts distribution center opens

2001 – Kocaeli Plant opens
 2002 – Transit Connect launches
 2003 – New Cargo launches
 2003 – Transit Connect 'International Van of the Year Award'
 2007 – Gebze Engineering Center opens
 2007 – Transit 'International Van of the Year Award'
 2009 – Transit Connect exports to N. America

2010 – Ford Otosan celebrates its 50th Anniversary
 2010 – Transit Connect 'North American Truck of the Year' Award
 2011 – Transit Connect NYC Taxi launches
 2011 – Ford Otosan celebrates 10 years of market leadership

Selected Awards

Ford of Europe Powertrain Engineering Award for Engineering Excellence

Şehabettin Bilgisu Environment Award, Kocaeli Chamber of Industry

- Kocaeli Plant awarded in 2004, 2007 & 2010
 - İnönü Plant awarded in 2008 & 2011
-

Chairman's Leadership Award for Diversity

- "Let's Remove Barriers" project, 2010
 - First woman dent repair technician, 2011
-

Environmental Leadership Award, Ford in 2010 & Istanbul Chamber of Commerce in 2011

- Sludge drying unit at wastewater treatment plant
-

President Health & Safety Award, 2011

- Six categories including Global Winner – Excellence in Safety Culture and Standards Award

Locations of Plants & Facilities

Kartal Parts Distribution Center - 1998



- Marketing, Sales, Parts Operations, Warranty, Field Operations, Dealer Training and Customer Relations Center are located at this site.

Gebze Engineering Center - 2007



- Engineering services for Ford Otosan & Ford Europe's Product Development Centers

Kocaeli Plant - 2001



- Transit & Transit Connect production
- 1,600,000m² total area
- 340,000m² covered area
- 320,000 units annual production capacity



ISO
9001



ISO
14001



ISO
9001



ISO
14001



İNönü Plant - 1983

- Cargo production
- 1,100,000m² total; 76,000m² covered area
- Annual capacity: 10,000 units truck, 66,000 units engine, 140,000 units powertrain



Products - Transit

- Manufactured at Ford Otosan's Kocaeli Plant since 1967
- Over 6 million units produced since its launch in 1965
- Longest-running model in Ford of Europe's product range
- Pickup, van and minibus body styles offering endless combinations
- Undisputable market leader in 2011 with 35.8% share; higher than the 3 next brands
- 35K units sold in the domestic market in 2011
- 148K units exported in 2011
- "International Van of the Year" 2001 & 2007



Transit Connect

- Manufactured at Ford Otosan's Kocaeli Plant since 2002 ~900K units
- Best selling light commercial vehicle in Turkey in 2010 & 2011
- First Turkish vehicle exported to the US: Over 100K exports since '09
- 22.4% domestic market share in 2011: 37K units sold
- 65K units exported in 2011
- "International Van of the Year" 2003
- 2010 North American Truck of the Year



Transit Connect North America Taxi

- Transit Connect is among the approved models for use as NYC taxis by The New York City Taxi and Limousine Commission
 - ✓ 2.0-liter four-cylinder gas engine
 - ✓ Automatic transmission
 - ✓ Up to 30% more fuel efficient than traditional taxis
 - ✓ Engine conversions to CNG and LPG available



Cargo

- Manufactured at Ford Otosan's Inönü Plant since 1983
- Trailer, construction and truck series
- New launches strengthened the product range in 2011
- 22.8% domestic market share in 2011
- Exported to 30 countries in Europe, Asia and Africa



A Full Line of Cars



Ford Fiesta



Ford Kuga



Ford Mondeo



Ford Focus



Ford S-Max



Ford Galaxy



Ford C-Max

New Product Launches - 2012

Transit Custom

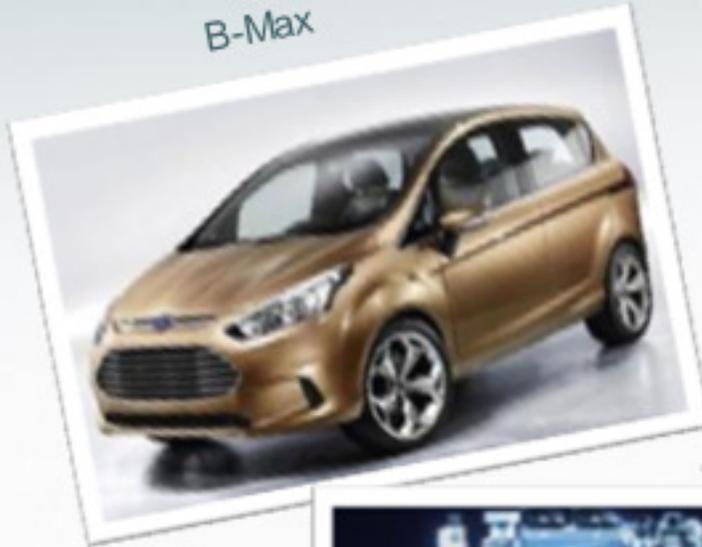


Tourneo Custom



New Product Launches - 2012

B-Max



Focus
1.0-liter EcoBoost Engine

New Ranger



Investment Case

Why Ford Otosan?

Scale and visibility

- Domestic market leader for 10 consecutive years
- Largest manufacturer and exporter of commercial vehicles in Turkey
- New projects to strengthen the product range, increase capacity & profitability

Resilience and efficiency

- Relatively favorable tax regime on commercial vehicles
- Diversified export markets
- Large scale export program: >60% of total unit sales
- High CUR
- Efficient, flexible and low-cost manufacturing

Strong balance sheet and prudent risk management

- Strong cash generation capacity
- Solid financials
- Natural hedge due to fx-denominated export revenues: 56% of total revenues

Shareholder value creation

- Attractive & sustainable dividend yield
- Strong relative share performance
- Commitment to good corporate governance

Market Leader for the 10th Consecutive Year - 2011

Segment	Industry (000)	Ford Otosan (000)	Market Share, %	Ranking
Car	594	59	9.9	#2
LCV	169	38	22.4	#2
MCV	102	37	35.8	#1
Truck	37	8	22.8	#2
TOTAL	907	142	15.6	#1



Relatively Favorable Taxes on Commercial Vehicles

Commercial Vehicles are Taxed Lower than Cars

Passenger Cars					Commercial Vehicles				
Engine Size	Model	VAT	SCT	Total	Engine Size	Model	VAT	SCT	Total
<1600 cc	Fiesta	18%	40%***	65%	<3000cc	Transit Van Connect Van Ranger	18%	4%	23%
	Focus								
	C-Max								
	Mondeo (1.6) S-Max (1.6)								
1601-2000	Mondeo (2.0)	18%	80%*	112%		Minibus	18%	9%	29%
	S-Max (2.0)								
	Kuga								
	Galaxy								
>2000		18%	130%**	171%		Transit Combi Connect Combi	18%	15%***	36%
						Cargo	18%	4%	23%

Increases took place as of October 12, 2011:

* From 60% to 80%

** From 84% to 130%

*** From 10% to 15%

Increase took place as of September 22, 2012:

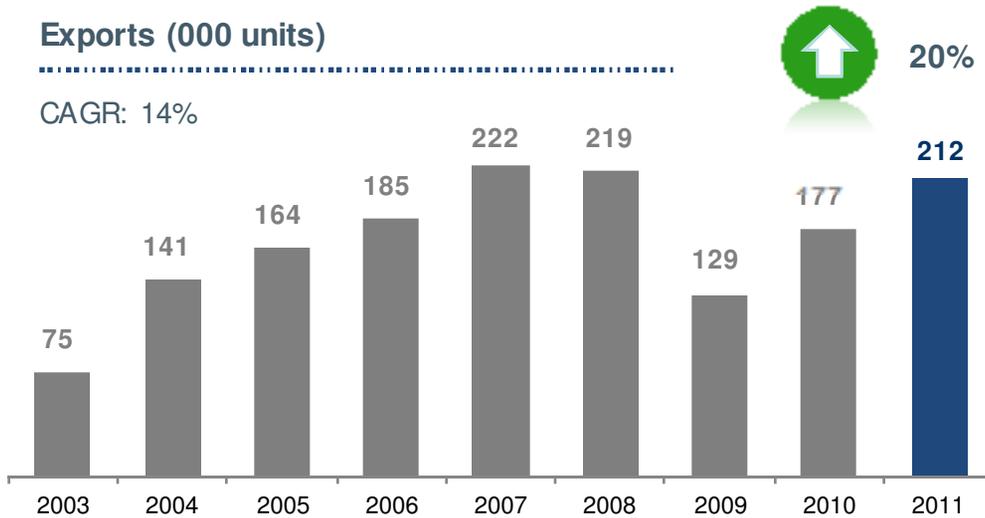
**** From 37% to 40%

VAT: Value added tax
SCT: Special consumption tax

Large-Scale Export Program

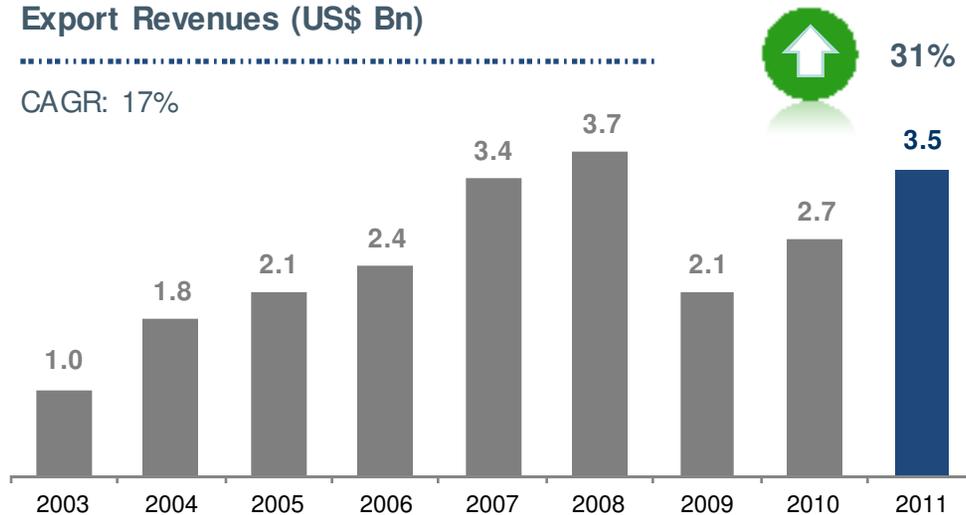
Exports (000 units)

CAGR: 14%



Export Revenues (US\$ Bn)

CAGR: 17%



Export leader in Turkish automotive in 2011 with US\$ 3.5 billion

Net exporter in the last five years with US\$ 2.3 billion

Vehicles and spare parts exported to

70 countries in 5 continents

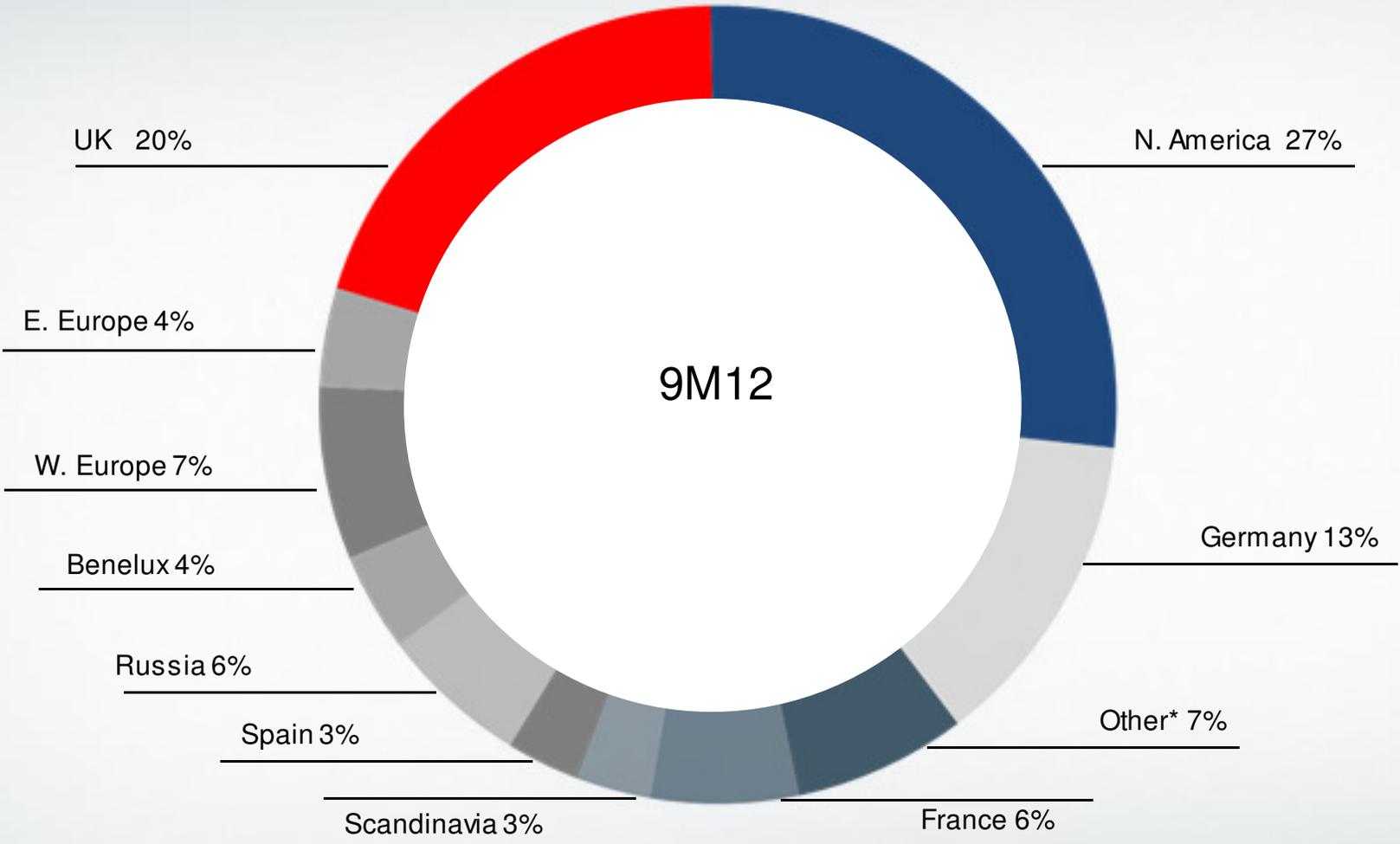
New markets added in 2011:

- Transit Connect export to USA as NY taxi
- Transit DKD operations with Ford Sollers in Russia
- Cargo Cab export to Brazil

61% of Turkey's total commercial vehicle exports is done by Ford Otosan

10% of Turkey's exports to the US is done by Ford Otosan

Diversified Export Markets



Other*: Countries with less than 2% share

New Projects: Total Investment >US\$1 Billion (2011-2014)

1. New generation Transit family

- Largest investment in a specific product in Turkish automotive: US\$ 630 million
- TL 976 million investment incentive received



i. Tourneo Custom & Transit Custom

Mass production started on 23 July 2012.

Introduced to the market in October 2012.



ii. Next generation Transit



New Projects: Total Investment >US\$1 Billion (2011-2014)

2. New LCV – Transit Courier

- €205 million fixed asset procurement
- TL 368 million investment incentive received
- Ground breaking for the new factory took place on 20 March 2012



3. New Ford Cargo

- \$75 million investment to develop a more globally competitive product
- Ford Otosan is responsible for product development, design, engineering and R&D
- Will be manufactured in Ford Otosan's İnönü plant and Ford's Brazilian division

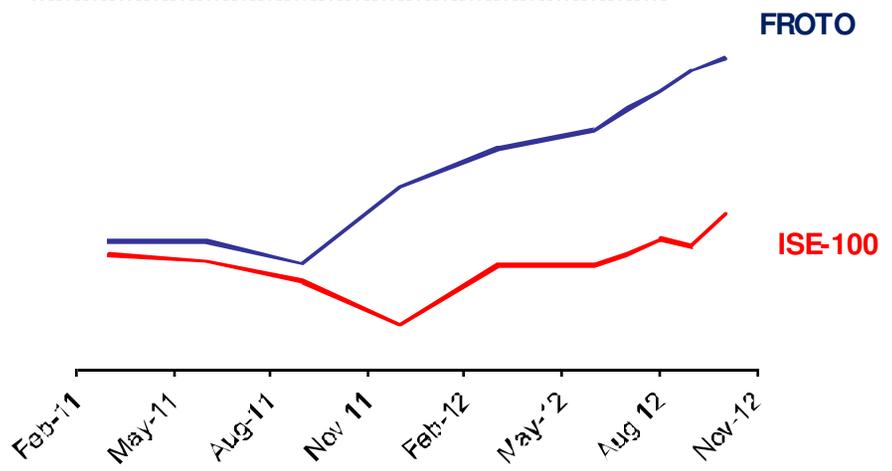
-
- €150 million loan agreement has been signed with EBRD in 2010 (5-year loan with 2-years grace period at EURIBOR + 275 bps)
 - €100 million loan agreement has been signed with EIB in June 2012 (8-year loan with 2-years grace period at 2.06%)

Increasing Capacity

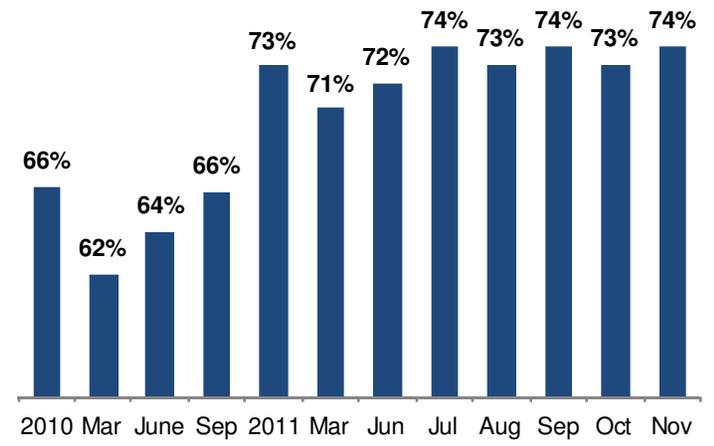


Focus on Shareholder Value

Strong share performance



Increase in foreign ownership



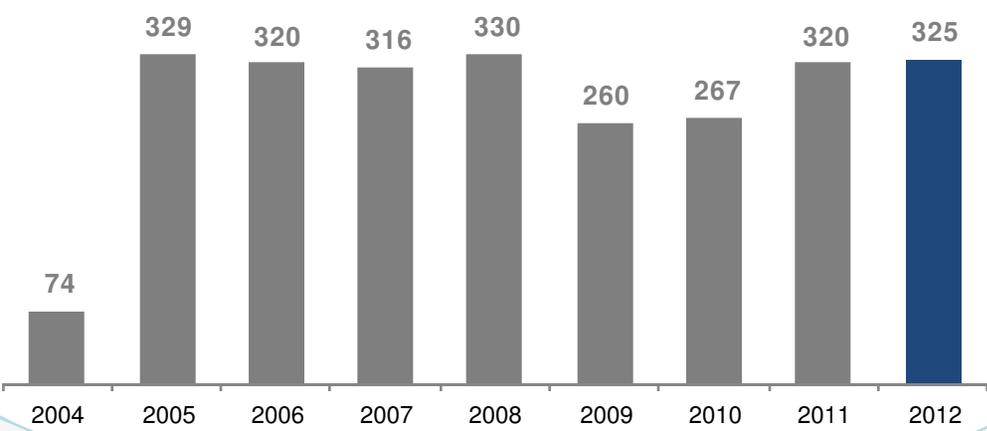
Commitment to corporate governance

- Separate CEO and Chairman roles
- Independent BoD members
- Executive Committee
- Audit Committee
- Corporate Governance Committee
- Risk Committee
- Compensation Committee

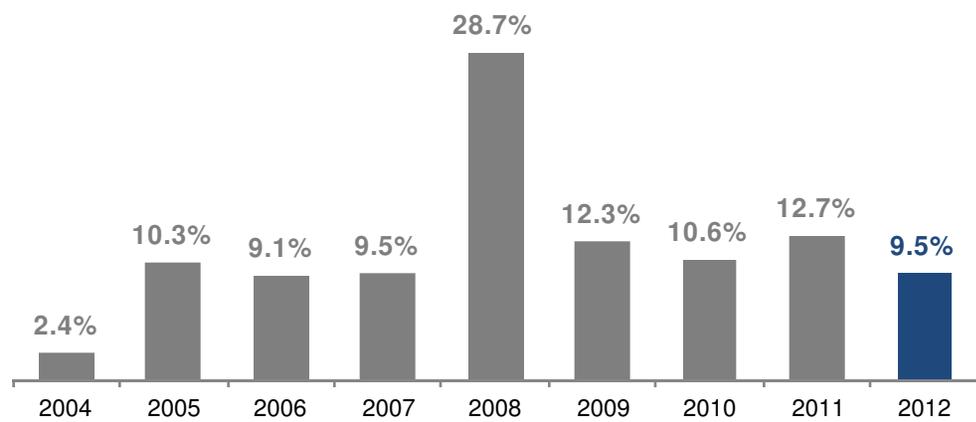
Attractive & Sustainable Dividend Yield

Dividend Payments (US\$ Mn)

CAGR: 20%



Yield (%)



Ford Otosan is among the **top dividend payers** at the ISE with 15% average yield between 2007-2012.

Total dividend payment between 2004-2012 reached **\$2.5 billion**.

There are **no privileges** in dividend distribution based on shareholder type

Ford Otosan usually pays dividends **twice a year**

Current dividend policy is **expected to continue throughout the investment period**

Strong & Committed JV Partner Support



- Turkey's largest industrial and services group in terms of revenues, exports, market capitalization and number of employees.
- Holds leading positions with strong competitive advantages in energy, automotive, consumer durables and finance sectors, which offer strong long term growth potential.
- The only Turkish company in Fortune Global 500



- Global automotive industry leader based in Dearborn, Michigan, that manufactures and distributes automobiles across six continents
- Automotive brands include Ford and Lincoln
- 166,000 employees and 70 plants worldwide
- Provides financial services through Ford Motor Credit Company

Large Distribution Network

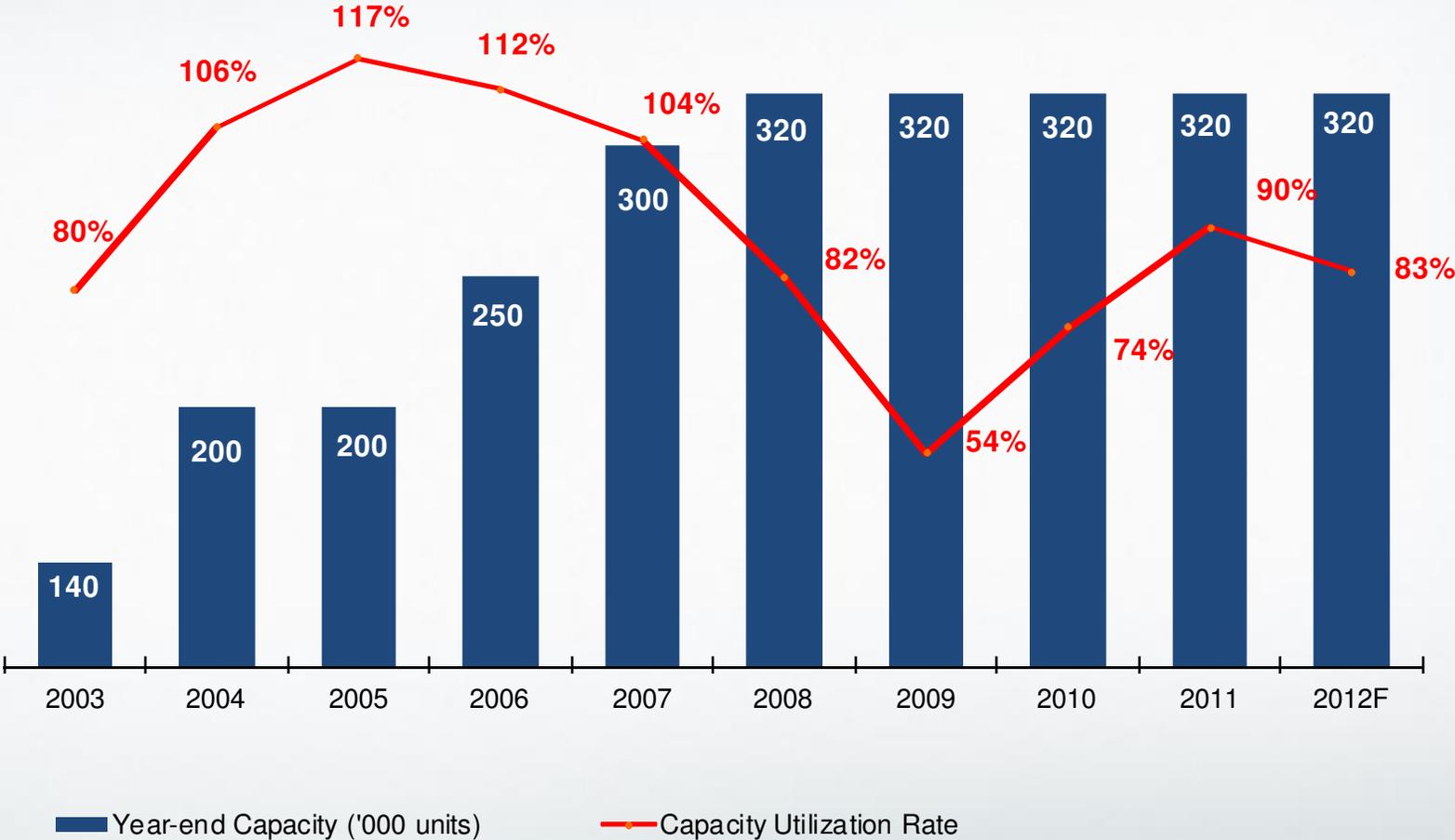


Ford Otosan provides maintenance, servicing and repairs through its customer-focused and innovative sales and after-sales network that spans the whole country.

Sales:	116
After-Sales:	158
Total Dealers:	205

Efficient Production Hub

Kocaeli Plant Capacity Utilization Rate



R&D Focused on Excellence

- The largest R&D center of the Turkish automotive industry
- R&D activities for Ford Otosan products and engineering services for Ford Motor Co.
- Ford's global engineering center in heavy commercial vehicles
- Ford Otosan has the capability and infrastructure to design, develop and test a complete vehicle end-to-end, including its engine

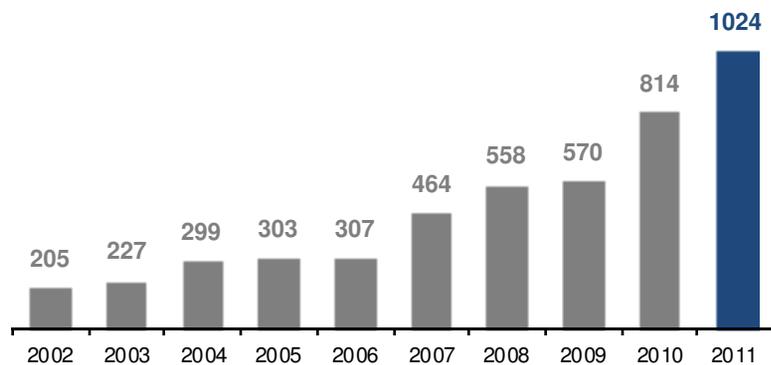
Kocaeli

- ✓ Located in Gölcük plant
- ✓ 300+ R&D engineers
- ✓ Engine testing, design studio and development workshops are located at this site

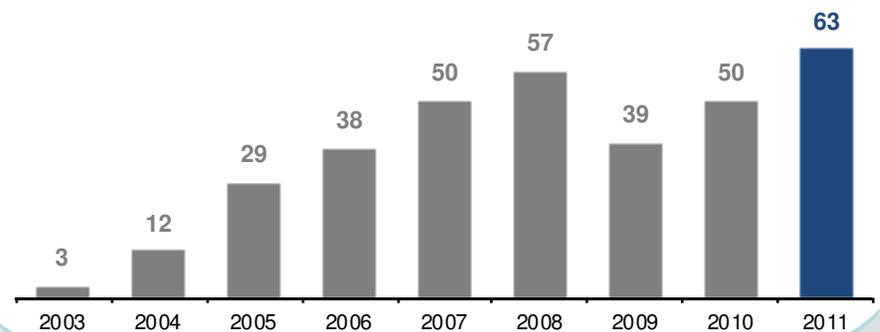
Gebze

- ✓ Located in TÜBİTAK MAM Technology Free Zone
- ✓ 700+ R&D engineers
- ✓ Global Center of Excellence for small diesel engines
- ✓ R&D center for Global Cargo

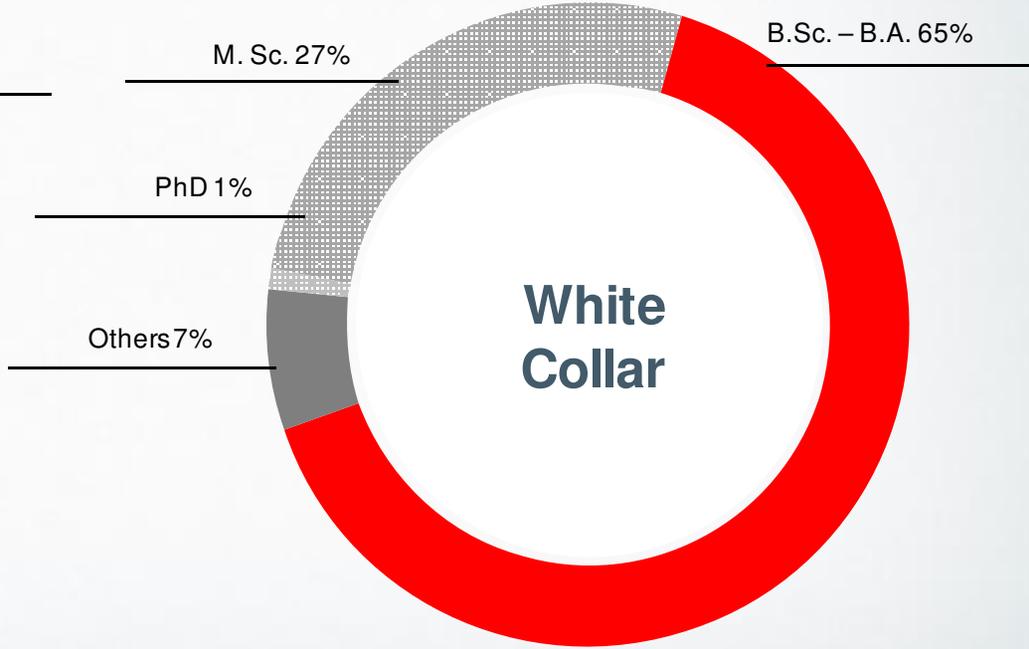
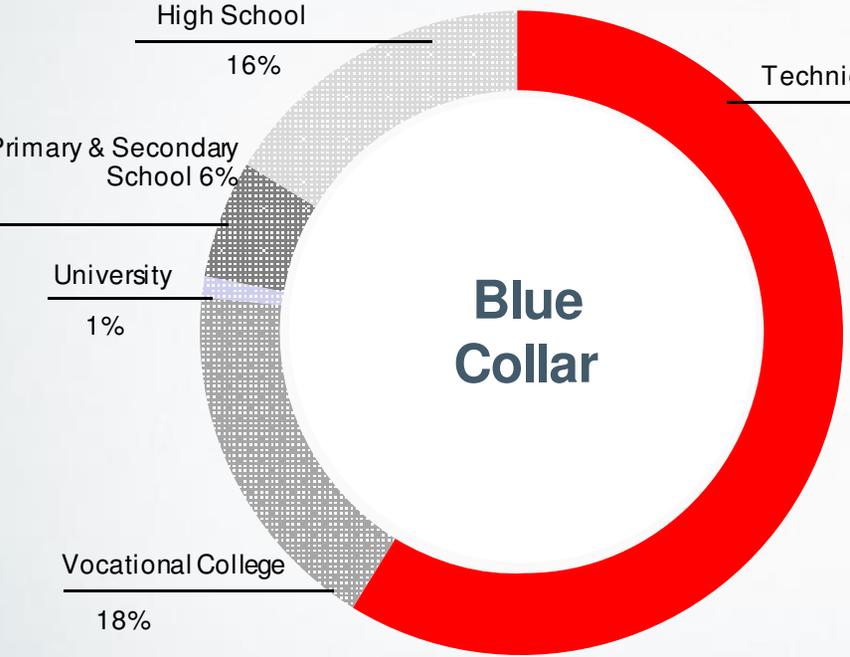
R&D Engineers



Patent Applications



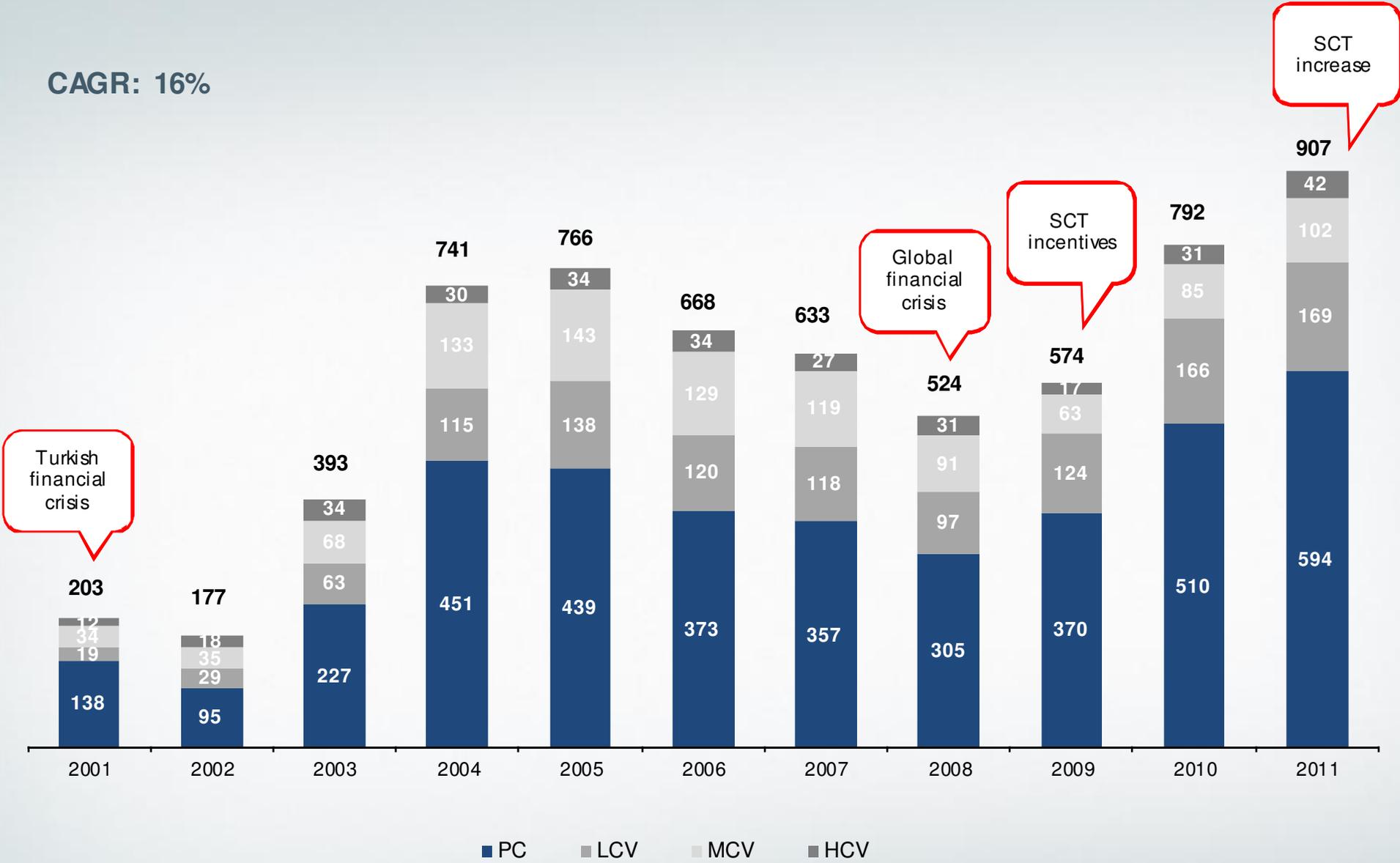
Experienced and Skilled Workforce



Operating & Financial Performance

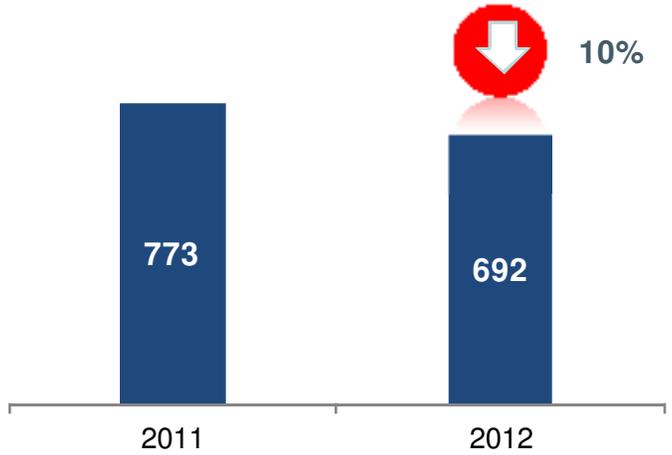
Turkish Automotive Industry (000 units)

CAGR: 16%

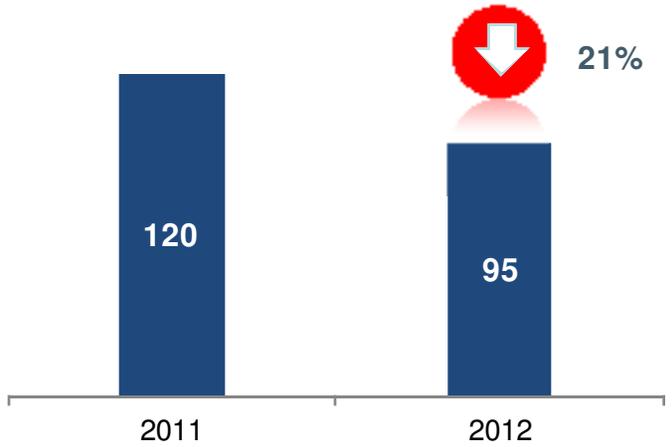


Domestic Volumes (000 units)

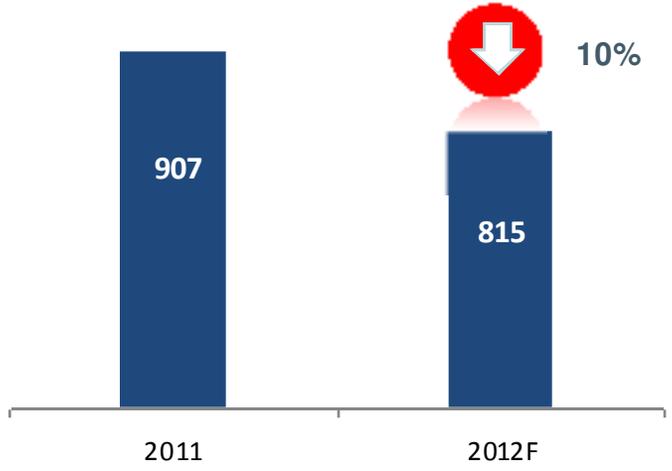
Total Automotive Industry, November YTD



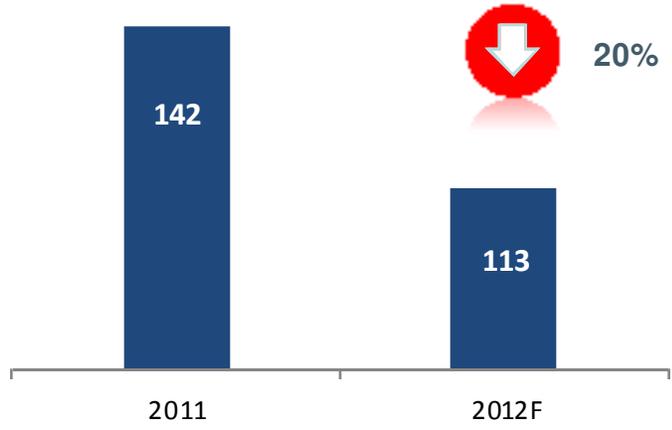
Ford Otosan, November YTD



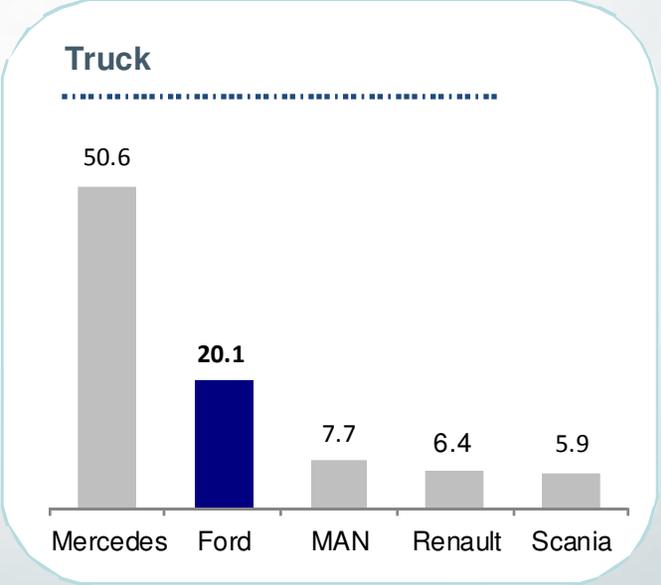
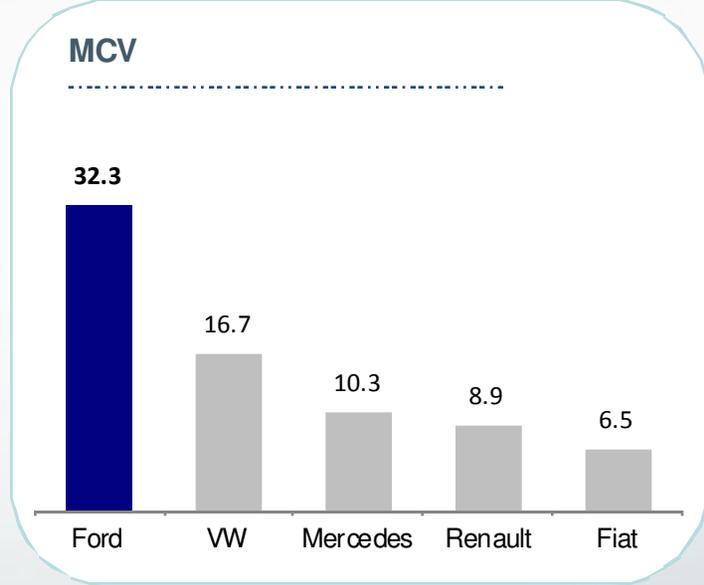
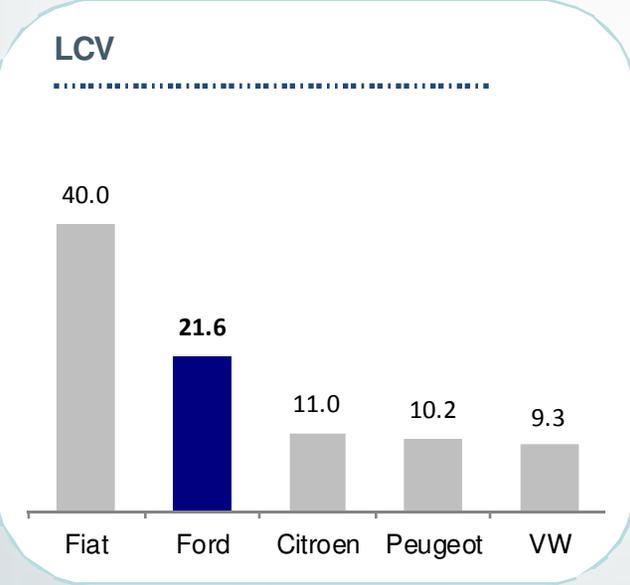
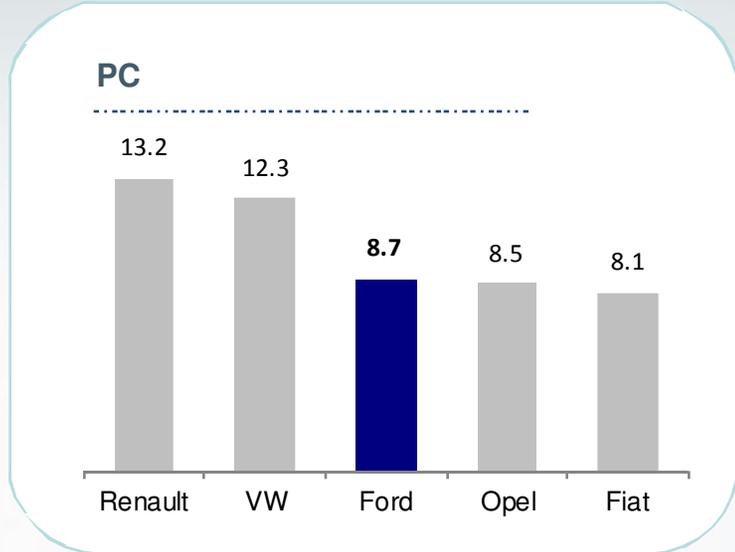
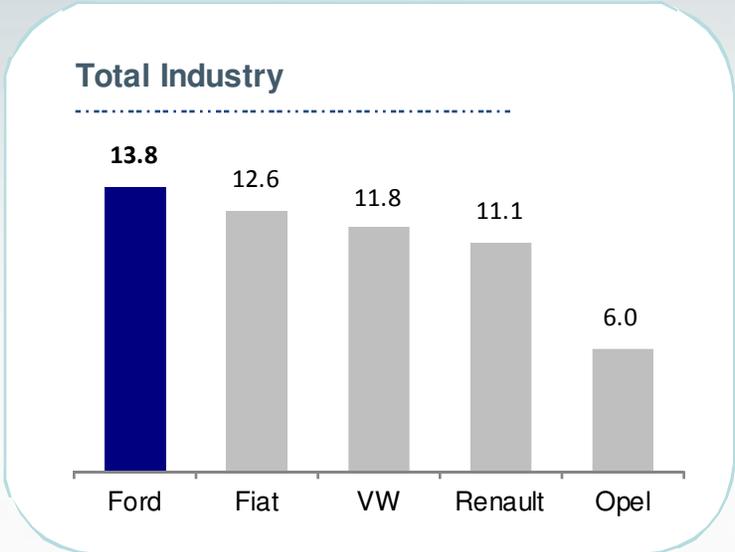
Total Automotive Industry, 2012F



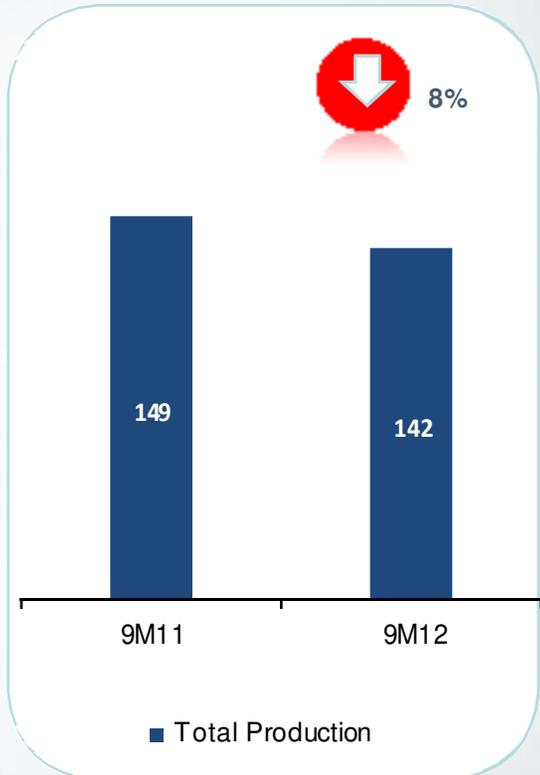
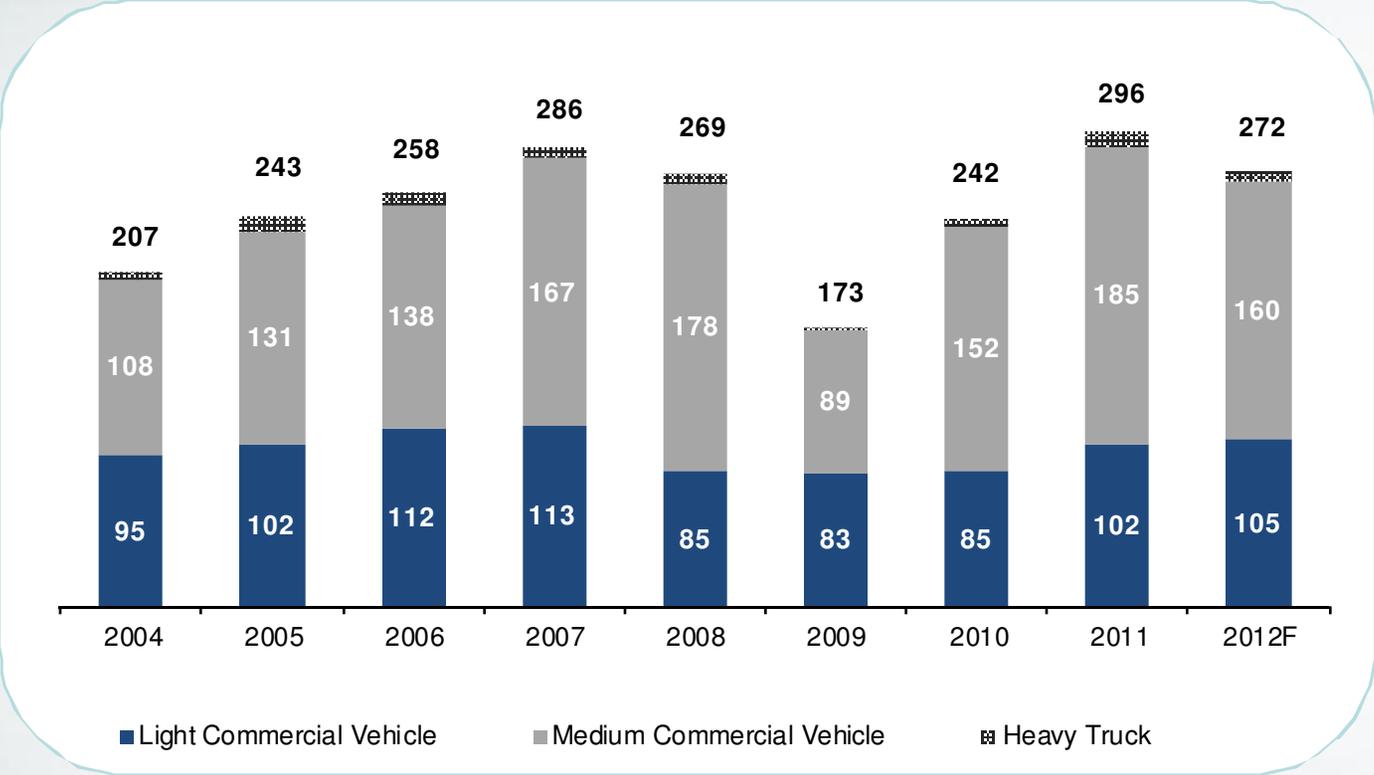
Ford Otosan Retail Sales, 2012F



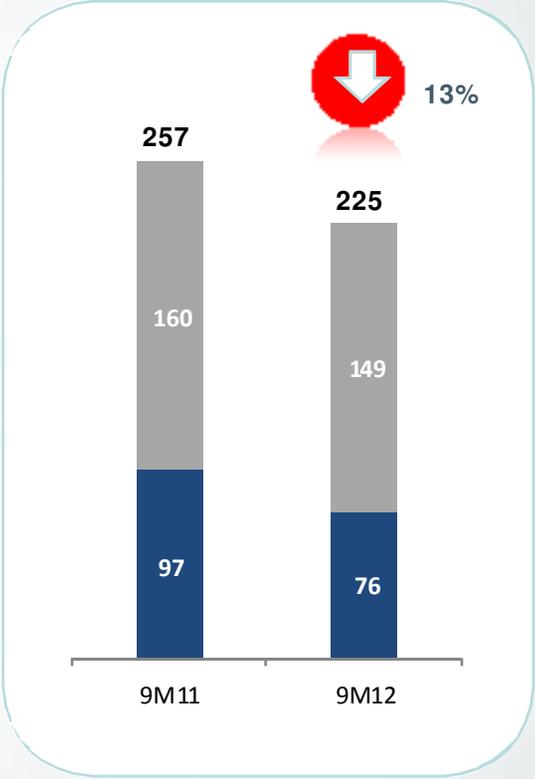
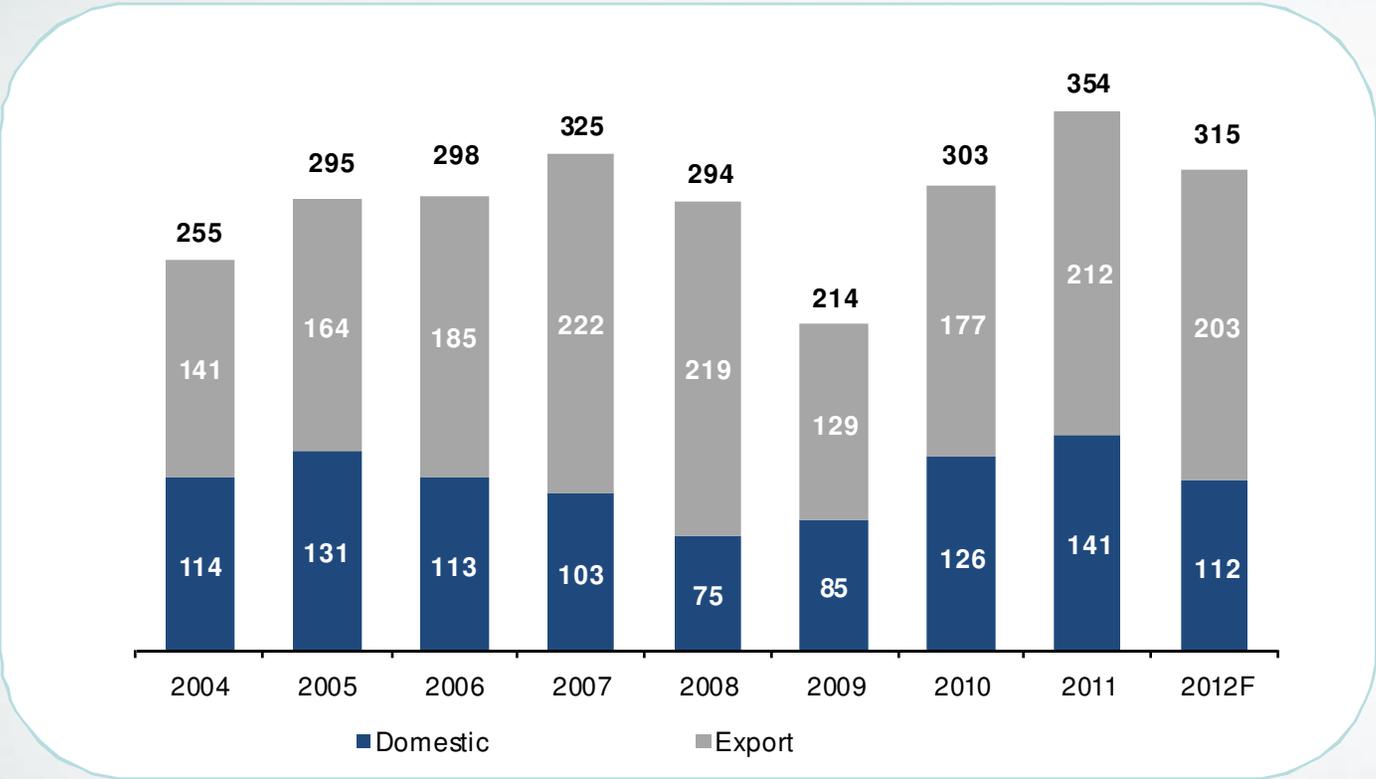
Market Shares (November'12 YTD)



Production Volume (000 units)



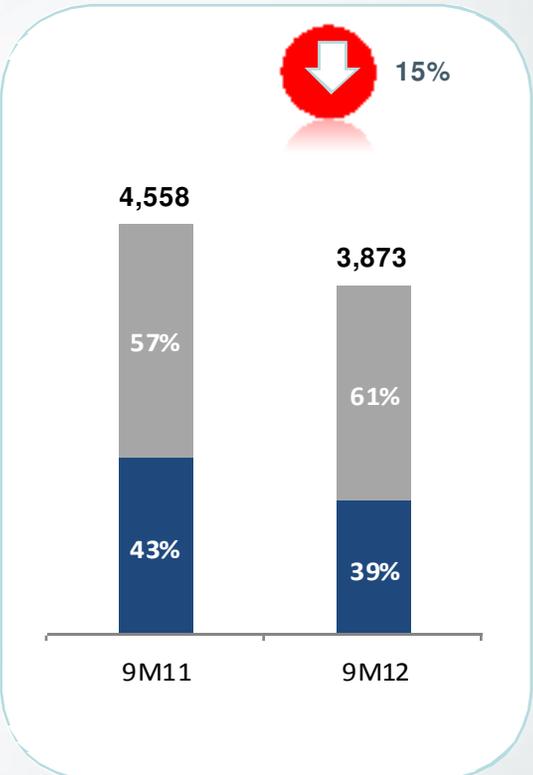
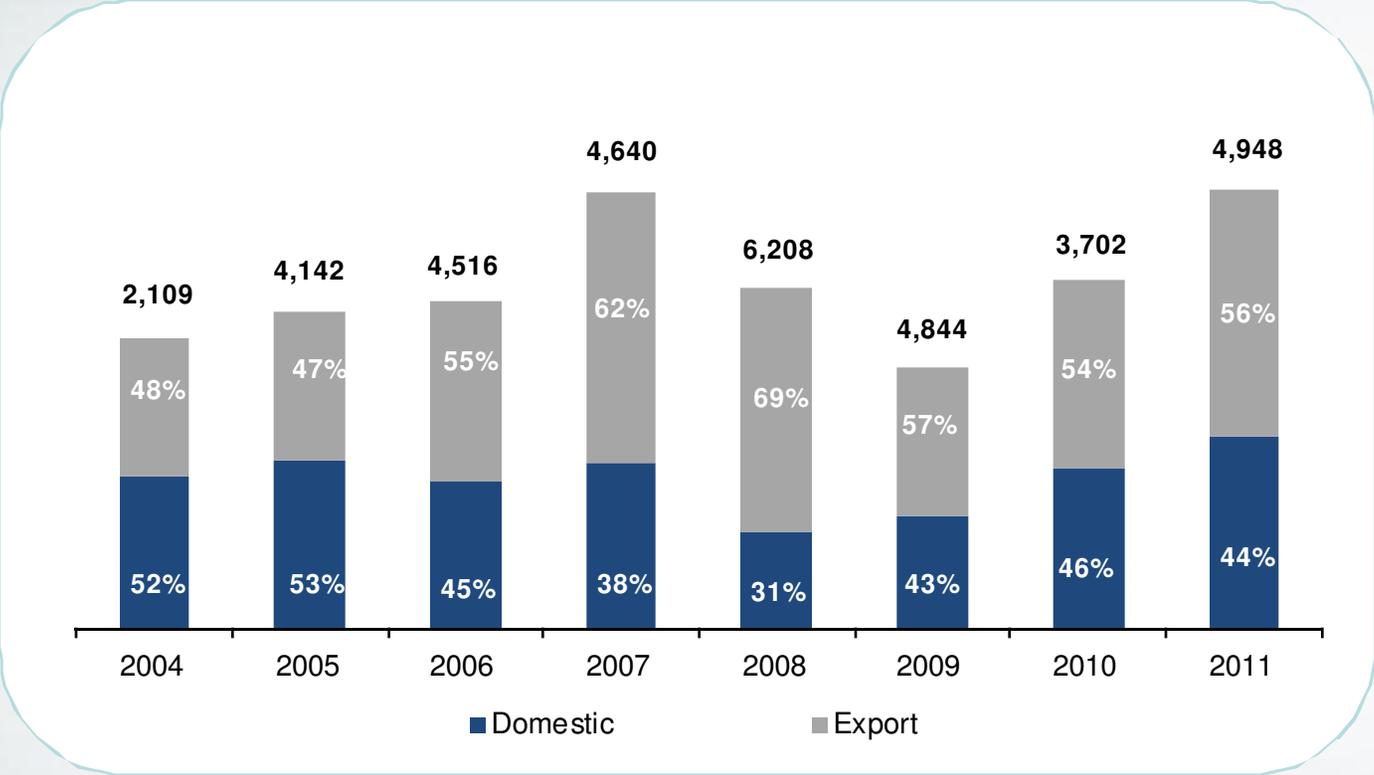
Wholesale Volume – Domestic & Export (000 units)



Sales Volume by Model

	9M 2012	9M2011	YoY Change	3Q12	2Q12	QoQ Change
Domestic	76,118	97,237	-22%	26,249	31,912	-18%
PC	33,201	42,194	-21%	11,332	14,720	-23%
Transit Connect	19,154	24,246	-21%	6,972	7,505	-7%
Total LCV	19,154	24,246	-21%	6,972	7,505	-7%
Transit	18,958	23,238	-18%	6,303	7,846	-20%
Ranger	446	1,552	-71%	446	-	
Total MCV	19,404	24,790	-22%	6,749	7,846	-14%
Cargo	4,359	6,007	-27%	1,196	1,841	-35%
Exports	148,557	159,856	-7%	37,863	52,116	-27%
Transit Connect	59,463	47,293	26%	16,005	23,367	-32%
Transit	87,694	111,685	-21%	21,211	28,183	-25%
Transit Custom	144	-		144	-	
Cargo	702	494	42%	279	340	-18%
Other	554	384	44%	224	226	-1%
Total Wholesale Volume	224,675	257,093	-13%	64,112	84,028	-24%

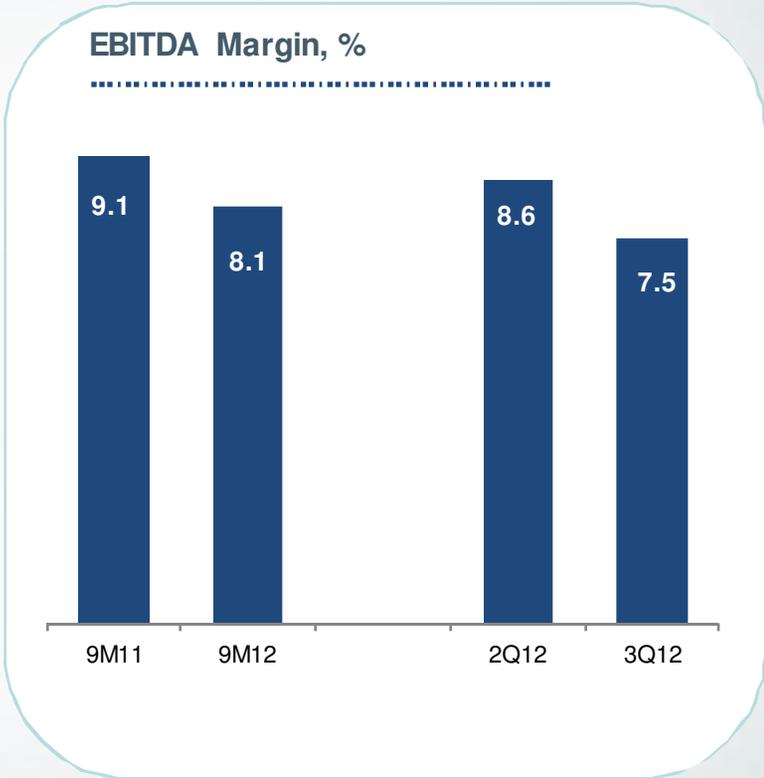
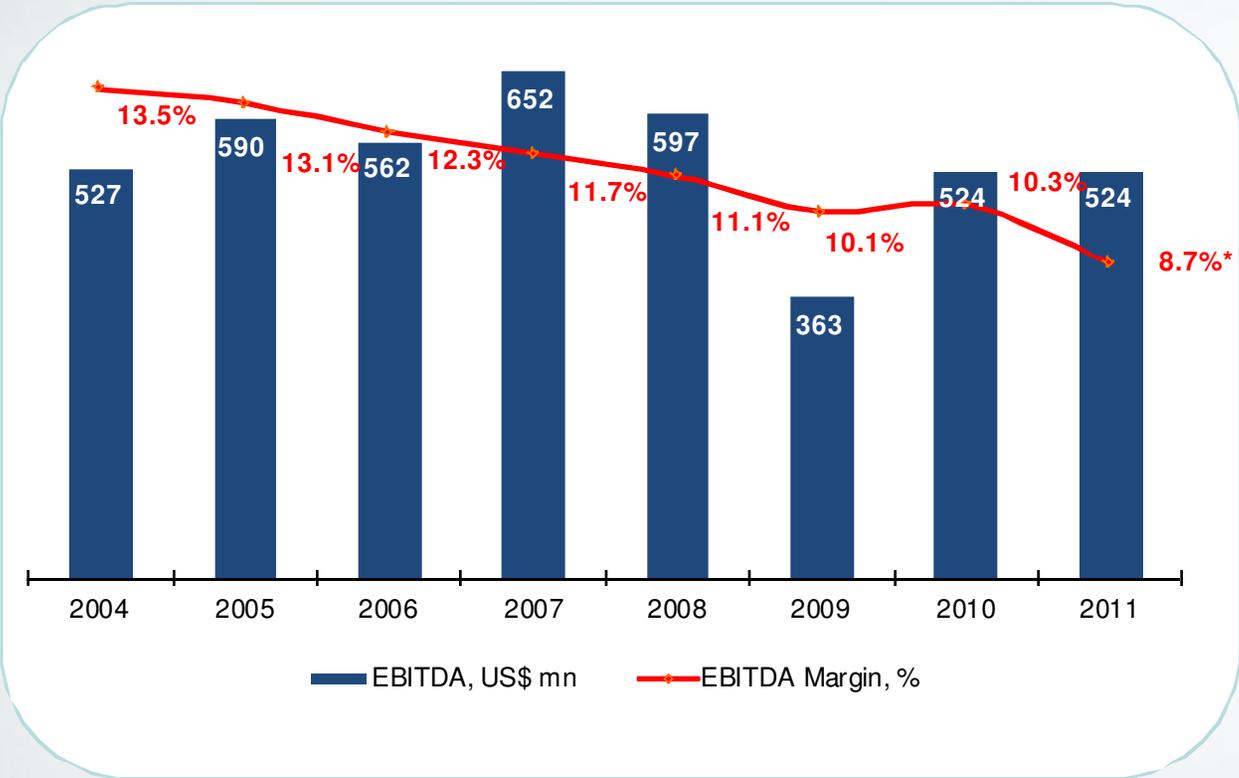
Revenue - Domestic & Export (US\$ million)



EBITDA and EBITDA Margin

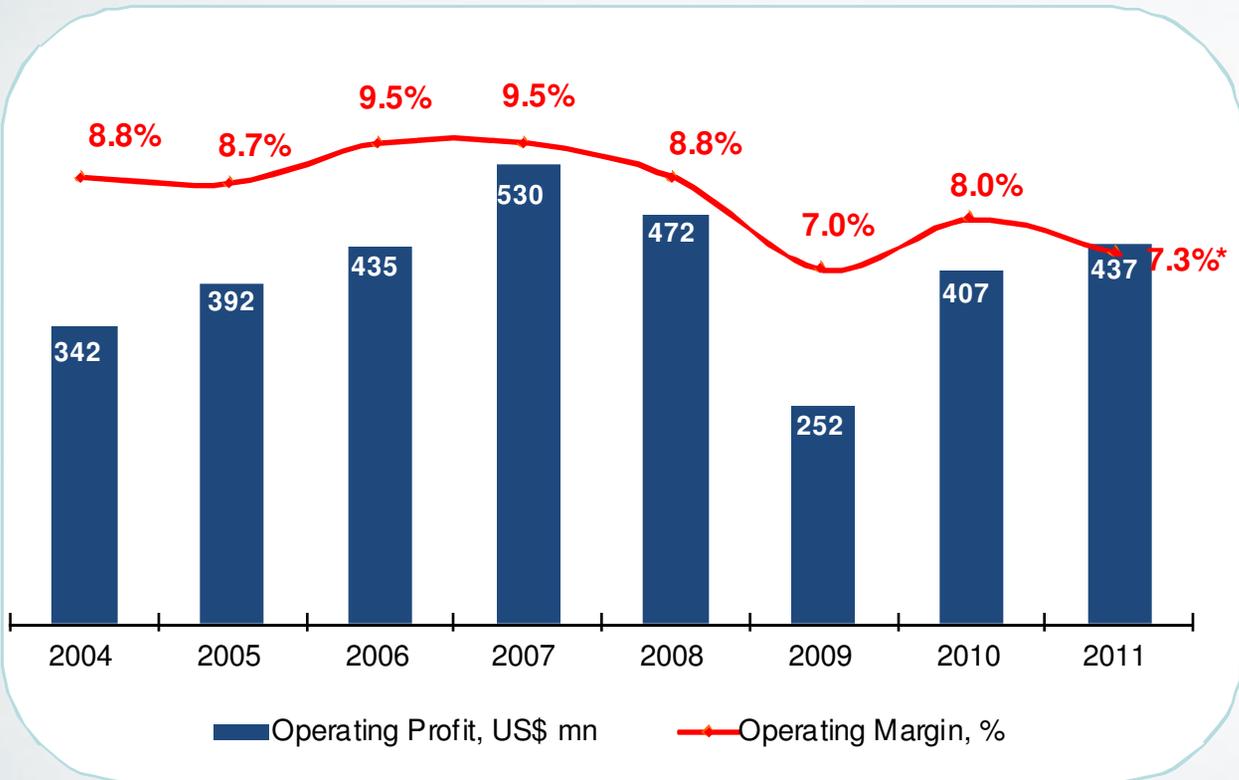
Normalizing EBITDA margin trend due to:

- Change in business mix: Increasing share of exports in total sales (page 38)
- Increasing capacity and change in CUR (page 28)



* Normalized, excluding the impact of the one-off Competition Board fine

Operating Profit and Operating Margin



* Normalized, excluding the impact of the one-off Competition Board fine

Financial Risk Management

Credit Risk

- Receivables from domestic vehicle sales to dealers are collected using a Direct Debit System
- Domestic spare part sales are guaranteed with collateral from dealers (bank guarantee letters)
- Receivables from Ford Motor Company and its subsidiaries for exports are collected within 14 days
- Other exports are guaranteed using L/C, letter of guarantee or cash collection

Liquidity Risk

- Cash, credit commitment and factoring capacity is maintained to meet 30 days of cash outflow
- €70 million credit commitment and TL140 million factoring agreements are in place for potential needs
- Net financial debt as of 30 September 2012 is TL 633 million

FX Risk

- Excess cash is invested in hard currencies to minimize fx exposure
- Natural hedge against volatility due to fx-denominated export revenues: 61% of total revenues
- Ford Otosan is a net exporter: US\$ 2.3 billion in the last 5 years

Capital Risk

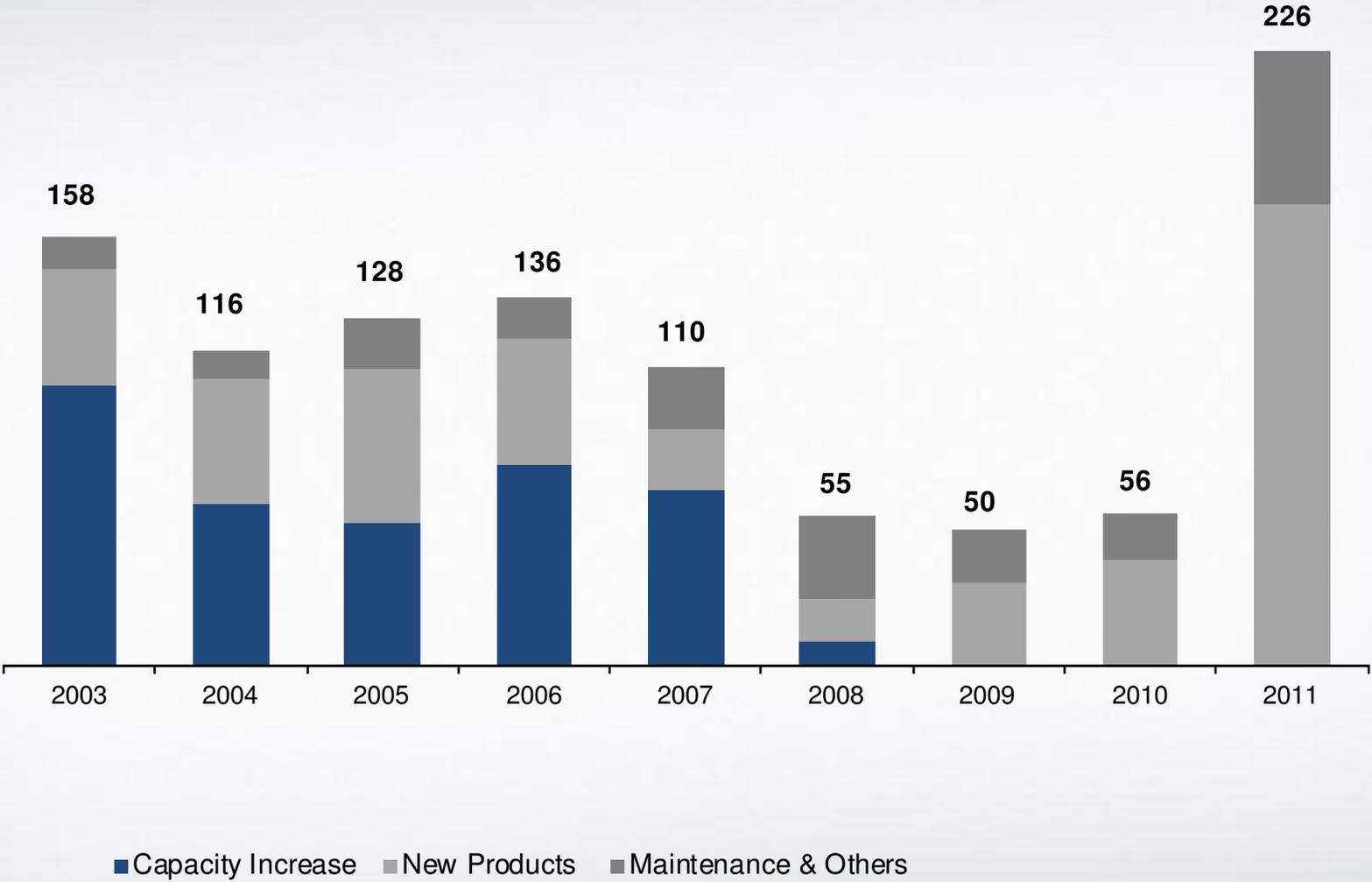
- Total financial debt / shareholders' equity is monitored as a management criteria
- Target range is 0.25 – 0.60

Debt Profile & Financial Ratios

TL mn	30.09.2012	30.09.2011
Cash	402	839
Total Financial Debt	1,035	747
Net cash/ (debt)	(633)	92

Ratios	30.09.2012	30.09.2011
Current ratio	1.58	1.77
Liquidity ratio	1.01	1.28
Current Assets / Total Assets	0.57	0.71
Current Liabilities / Total Liabilities	0.66	0.77
Total Liabilities / Total Liabilities and Equity	0.54	0.52
Financial debt / equity	0.51	0.38

CAPEX (US\$ million)



2012 Guidance

Turkish Industry Volume	815K
Retail Sales Volume	113K
Exports	203K
Wholesale Volume	315K
Production Volume	272K
Capex	\$ 440 million

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