

FORD OTOSAN



Investor Presentation
December 2016



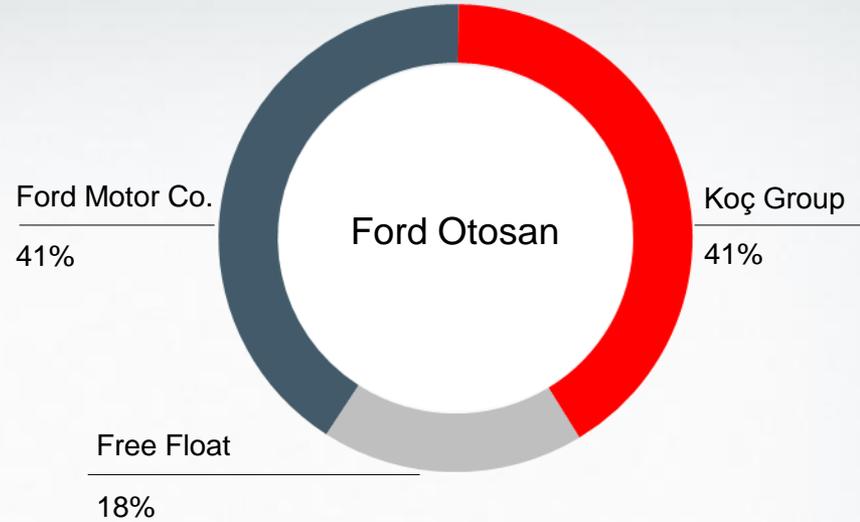
Contents

▪ About Ford Otosan	3
▪ Plants and Facilities	9
▪ Products	16
▪ Investment Case	24
▪ Operating and Financial Performance	43
▪ Guidance	60
▪ Contacts	61

About Ford Otosan

Company Profile

Key Performance Indicators, 2015	
Revenues	\$6.2 billion
Export Revenues	\$3.9 billion
EBITDA	\$530 million
Profit Before Tax	\$318 million
Net Profit	\$310 million
ROE	27.5%
EBITDA margin	8.6%
Annual Production Capacity	415,000
	Gölcük 290,000
	Yeniköy 110,000
	İnönü 15,000
Total Employees	10,676
	Blue Collar 7,944
	White Collar 2,732



Paid-in Capital: TL 350,910,000

Traded on Borsa Istanbul since 13 January 1986

Ticker: FROTO.IS

Ford Otosan at a Glance

**Pioneer of Turkish
automotive**

First Turkish passenger car Anadol (1966)
Turkey's **first** domestic diesel engine Erk (1986)
Turkey's **first** private R&D center in automotive (1961)
First export of Turkish automotive to the US (2009)

**Strong value
contribution**

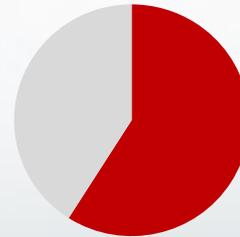
Turkey's **export leader**
Turkey's **2nd largest** industrial enterprise
Highest employment in Turkish automotive

**Leadership and
scale**

Market leader in Turkish commercial vehicle industry
Widest product range in Turkish automotive
Highest installed production capacity in Turkish automotive



25% of Turkey's total
automotive production



59% of Turkey's total
commercial vehicle production



65% of Turkey's total
commercial vehicle exports

Key Player in Ford Motor Company Universe

**Robust sales
performance**

Highest commercial vehicle market share of Ford in Europe
Among Ford's **top 5 markets in Europe** (UK, Ireland, Hungary, Turkey, Finland)

**Leading
manufacturing hub**

Lead manufacturing plant of Ford Transit globally
Single source of Ford Transit Custom & Tourneo Custom
Single source of Ford Transit Courier & Tourneo Courier
One of the two production centers globally for Ford Cargo heavy trucks

**Engineering and
R&D power**

Global hub for Cargo heavy trucks and related powertrains
Global support for Light Commercial Vehicle Development
Global support for Diesel Powertrain Engineering

Vision, Mission and Strategy

Vision

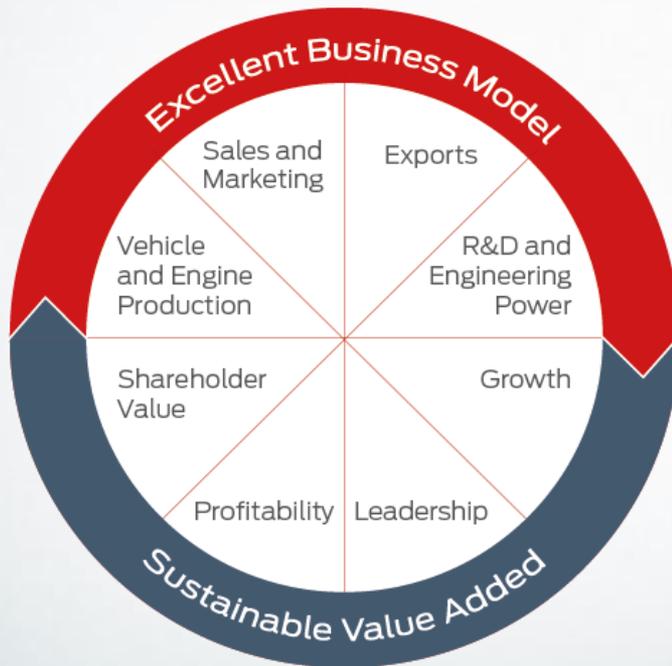
Being Turkey's most valuable and most preferred industrial company.

Mission

Providing innovative automotive products and services beneficial to the community.

Strategy

- **Growth:** Organic and inorganic growth in new markets and existing business areas by developing new products.
- **Innovation:** Providing innovative products and services in all business processes by keeping creativity at the top.
- **Brand:** Being the most preferred brand in all segments by meeting customer needs and expectations.
- **Employees:** Being the most preferred workplace by aiming excellence in human resources processes and increasing benefits provided for employees.
- **Customers:** Being the leader automotive brand with regards to customer satisfaction in sales and after sales products and services.



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 17th largest auto manufacturing hub in the world and 6th largest among European countries.



First Years

1980s

1990s

2000-2010

2010+

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 – Gölcük Plant opens

2002 – Transit Connect launches

2003 – New Cargo launches

2003 – Transit Connect 'International Van of the Year'

2007 – Gebze Engineering Center opens

2007 – Transit 'International Van of the Year'

2009 – First vehicle export to North America

2010 – Ford Otosan's 50th Anniversary

2010 – Transit Connect 'N.A. Truck of the Year'

2011 – Transit Connect NYC Taxi launches

2012- Launch of Ford Custom

2013 – Ford Otosan's 12th year of market leadership

2013/2014- JMC engine & truck technology licensing agreements

2014 – Yeniköy Plant opens

2014 – Launch of new Ford Transit and Ford Courier

2015 – Sancaktepe Engineering Center opens

2016 – Ecotorq engine production starts

Plants and Facilities

Locations

Sancaktepe Parts Distribution Center (1998)



Sancaktepe Engineering Center (2015)



İnönü Plant (1982)



Kocaeli Plants: Gölcük Plant: Transit (2001), Custom (2012)



Yeniköy Plant: Courier (2014)



Gölcük Plant - Lead manufacturing plant of Ford Transit



Transit 140k-160k



Custom 130k-150k

290,000 units manufacturing capacity

1,600,000 m² total area; 340,000 m² covered area

Opened in 2001

Yeniköy Plant - The single production center of Ford Courier in the world



Courier 110k

New production facility at Gölcük plant site opened on 22 May 2014
70,000 m² covered area
Environment and disabled-friendly plant

İnönü Plant - One of the two global production centers for Ford Cargo



Cargo 15k

Opened in 1982

88,000 m² covered area

80k units engine, 140k units powertrain production capacity

- 12.7L / 9.0L E6 Diesel engines for Cargo heavy truck
- 2.2L 4-cyl. Duratorq TDCI engines for Transit



Sancaktepe Parts Distribution Center - 96% Fill rate



Opened in 1998

25,000 m² warehouse: Largest of its kind in Turkey

4th largest warehouse capacity among Ford's parts distribution centers in Europe

Sancaktepe Engineering Center – Turkey’s largest R&D Center



Center of Excellence for heavy trucks and heavy duty diesel powertrain for large trucks

Global engineering lead for Ford Cargo heavy trucks and related powertrains

Global support for diesel powertrain engineering

Global support for light commercial vehicle development (B- & C-car derived Integrated Style Vans)

Products

Ford Transit

- Longest-running model in Ford of Europe's product range
- ~ 8 million units produced globally since its launch in 1965
- Manufactured by Ford Otosan since 1967
- Ford Otosan is the lead manufacturing plant of Transit globally
- All-New Transit launched from March 2014 to October 2014 in 3 phases



17% YoY growth in European sales Jan-Sep 2016

TRANSIT

Chassis Cab

Van

Minibus



Loading Capacity:
3.3 tons – 4.7 tons

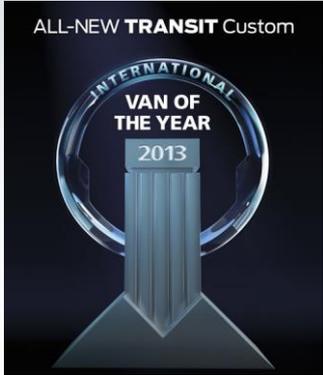
Loading Capacity:
9.5m³ - 15.1 m³

Seating Capacity:
11+1 / 17+1

Market share details available on page 46.

Ford Custom

- Ford Otosan is the single global source of Ford Custom
- Launched in October 2012
- First vehicle in its segment to achieve a maximum five-star Euro NCAP rating



CUSTOM

Tourneo Custom (People Mover)



Long and Short Chassis
8+1 Seating Capacity
4.97m – 5.34 m

23% YoY growth in
European sales Jan-Sep 2016

Transit Custom (Commercial)



Loading Capacity:
5.9 m³ - 7.2 m³



Loading Capacity:
6.8 m³ - 8.3 m³



Market share details available on page 46.

Ford Courier

- Ford's first vehicle in the compact van segment
- Ford Otosan is the single global source of Ford Courier
- Launched in May 2014



COURIER



Tourneo Courier
(People mover)



Transit Courier Combi Van
(Commercial)



Transit Courier Van
(Commercial)

Market share details available on page 46.

Ford Trucks

- Manufactured at Ford Otosan's Inönü Plant since 1983
- Road truck, construction and tractor series available
- Cargo 1846T – 2013 International Truck of the Year 3rd place



CARGO

TRACTOR

4x2 Tractor and **6x2** Full Trailer are the main applications. Available in **E3&E5 AND E6** emission levels with **13L ECOTORQ ENGINE** generating power **420 AND 480 PS**

ROAD TRUCK

Mainly used for local distribution and municipality (special purpose vehicles) **4x2, 6x2, 8x2** applications. Available in **E3&E5 AND E6** emission levels with **9L AND 13L ECOTORQ ENGINE** generating power **330 AND 420 PS**

CONSTRUCTION

Tipplers, Transmixers, Cement Pumps. **6x4, 8x4, 4x2, 6x2 AND 8x2** applications. Available in **E3&E5 AND E6** emission levels with **9L AND 13L Ecotorq** engine generating power **330 AND 420 PS**

Long Haulage



Distribution Trucks



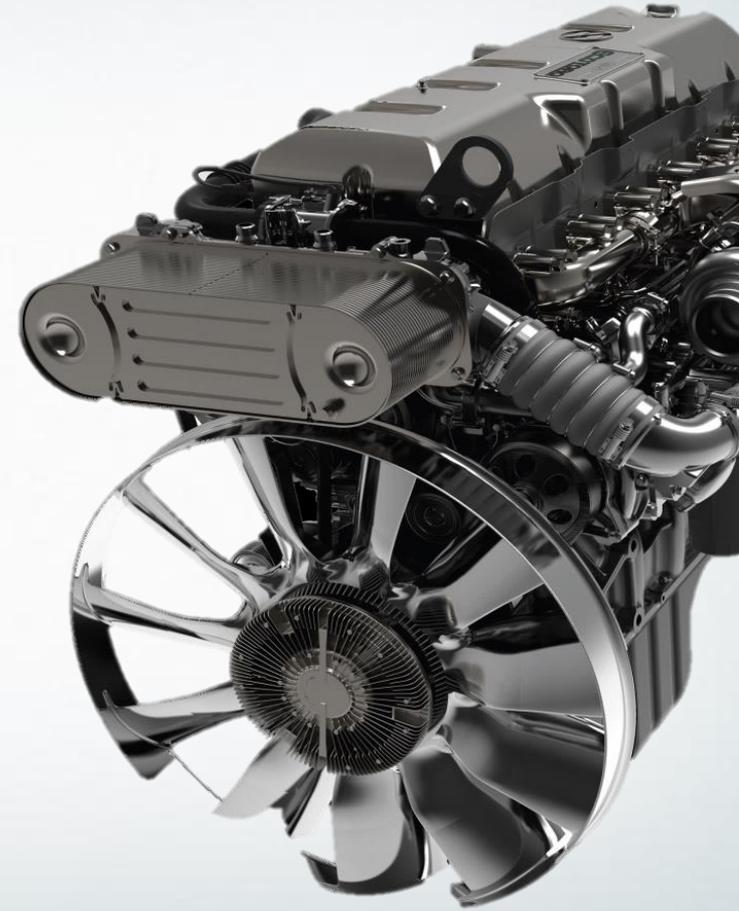
Construction Trucks



Market share details available on page 46.

Ecotorq Engine Family

- Available in 9L 330PS and 13 L 420 to 480PS
- Euro 3, Euro 5 and Environmentally Friendly Euro 6 Emission Levels
- Turbocharger with Variable-Geometry
- 2500 bar Common-Rail Fuel Injection System
- Specially Coated Pistons
- Smart Charging Alternator



The Newest Portfolio in the Industry



1.2 years
Average product age

Major Product Acceleration

2014



Focus



Courier



Connect



Transit

2015



Mondeo



Galaxy



C-Max



Mustang

2016



Ranger



Edge

Investment Case

Ford Otosan's Value Proposition

Scale & growth

Domestic industry leader in commercial vehicles

Largest manufacturer and exporter of commercial vehicles in Turkey

Increased capacity and fully revamped products to grow volumes and profitability

Technology licensing agreements delivering royalty fees with strong growth potential

Resilience & efficiency

Large-scale export program; Lead beneficiary of the growth in European van segment

High capacity utilization: Above European and Turkish industry average

Efficient, flexible and low-cost manufacturing and engineering competency

Strong balance sheet & prudent risk management

Strong cash generation capacity

Solid financial performance

Natural hedge of fx-payables due to fx-denominated export revenues

Shareholder value creation

Sustainable dividend policy

Strong relative share performance

Commitment to good corporate governance

Relatively Favorable Taxes on Commercial Vehicles

Passenger Cars					Commercial Vehicles			
Engine Size	Base Price (TL)	SCT	VAT	Total	Model	SCT	VAT	Total
<1.6 lt	<40,000	45%	18%	71%	Transit Van	4%	18%	23%
	40,000-70,000	50%	18%	77%	Transit Minibus (16+1) (17+1)			
	>70,000	60%	18%	89%	Transit Chassis Cab Transit Custom Van Transit Courier Van			
1.6-2.0 lt	<100,000	100%	18%	136%	Connect Van			
	>100,000	110%	18%	148%	Ranger			
> 2.0 lt		160%	18%	207%	Transit Minibus (11+1) (14+1)	9%	18%	29%
<ul style="list-style-type: none"> New tax structure for PCs is effective as of November 25, 2016. Above rates are valid for diesel and gas engines. Different SCT rates apply for electric and hybrid vehicles. Previous tax changes as follows: < 1.6 lt 37% to 40% (Sept 2012), 40% to 45% (Jan 2014) 1.6-2.0 lt 60% to 80% (Oct 2011), 80% to 90% (Jan 2014) > 2.0 lt 84% to 130% (Oct 2011), 130% to 145% (Jan 2014) ** 10% to 15% (Oct 12, 2011)					Transit Combi	15%**	18%	36%
					Transit Custom Combi			
					Transit Custom Combi Van Tourneo Custom Transit Courier Combi Van Tourneo Courier Transit Connect Combi			
					Cargo	4%	18%	23%

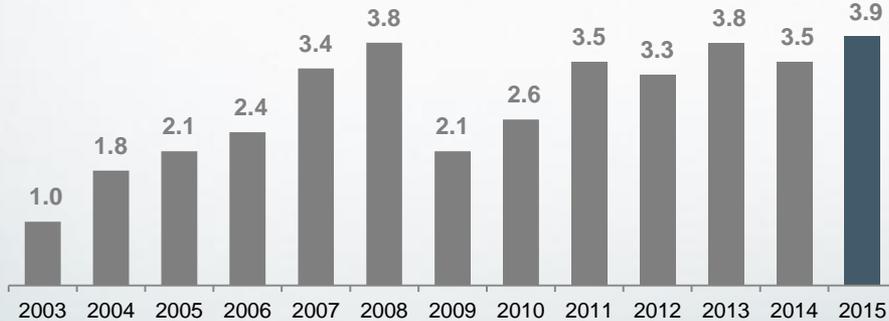
VAT: Value added tax
 SCT: Special consumption tax

Scalable Export Business

Exports (000 units)



Export Revenue (US\$ bn)



US\$ 3.9 billion export revenues in 2015

Turkey's **export leader** in automotive for 5 consecutive years

US\$ 3.0 billion **net exporter** in the last five years (2011-2015)

Vehicles and spare parts exported to **82 countries in 5 continents**

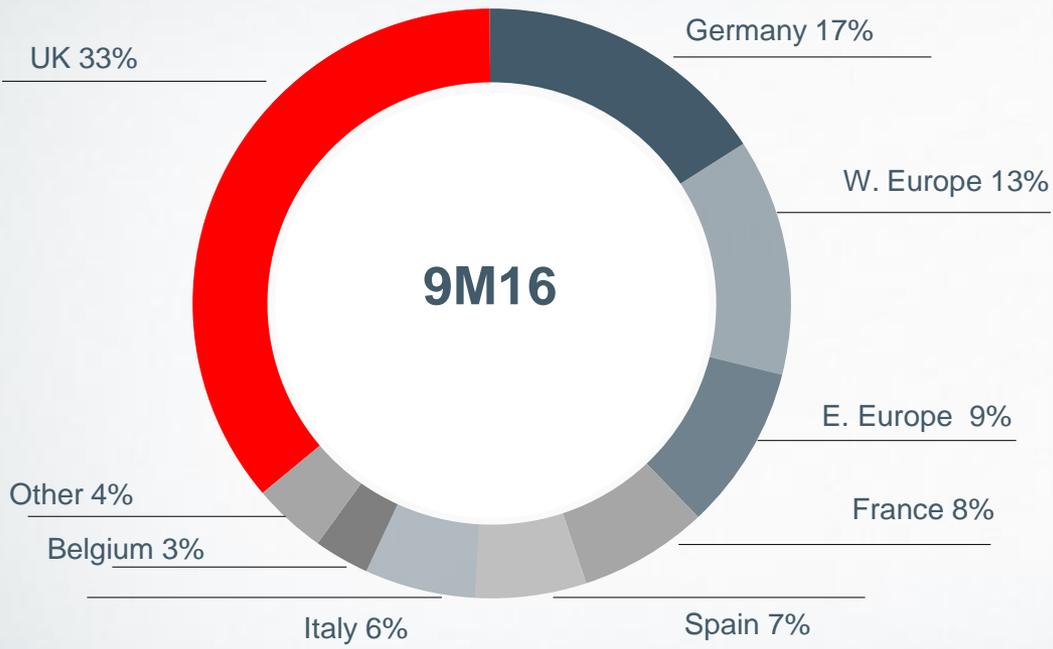
65% of Turkey's total commercial vehicle exports is done by Ford Otosan

Export receivables are easy to manage as Ford of Europe is the **single counterparty**

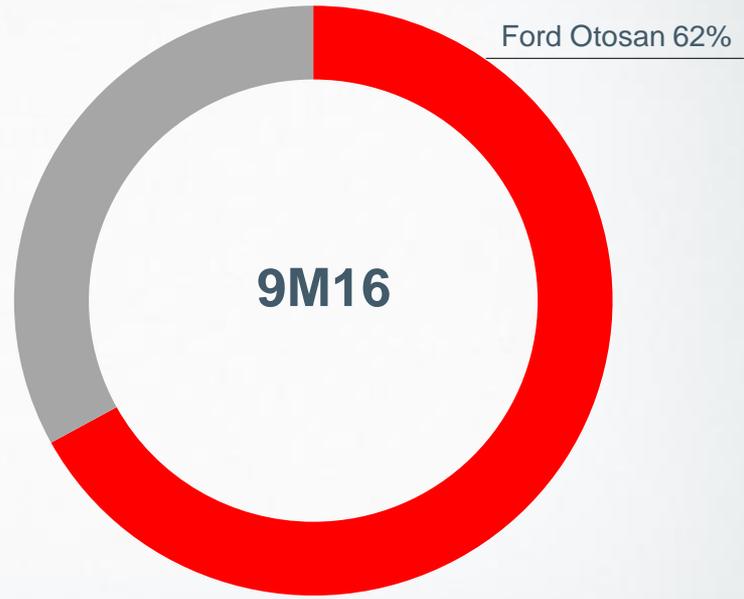
Export receivables from Ford Motor Company and its subsidiaries are collected within average **14 days**

Turkey's Largest Exporter

Export breakdown (units)



Turkey's CV exports



Lead Beneficiary of the Growth in European Van Segment

European commercial vehicle market (Up to 3.5 tons)

	2014	2015	1Q 2016	1H 2016	9M 2016	Oct'16	Nov'16	YTD
UK	18.7%	15.6%	1.2%	3.0%	2.7%	-4.5%	2.5%	2.1%
Germany	7.3%	4.2%	9.3%	10.9%	12.9%	-13.2%	2.1%	8.9%
Italy	16.4%	12.4%	30.0%	31.3%	41.5%	47.7%	66.0%	44.8%
Spain	33.2%	36.1%	8.9%	13.8%	13.0%	-5.5%	11.9%	10.9%
France	1.5%	2.0%	9.6%	12.4%	9.8%	-5.8%	16.1%	8.7%
Total	11.3%	11.6%	11.3%	13.2%	13.5%	-0.8%	13.5%	12.1%

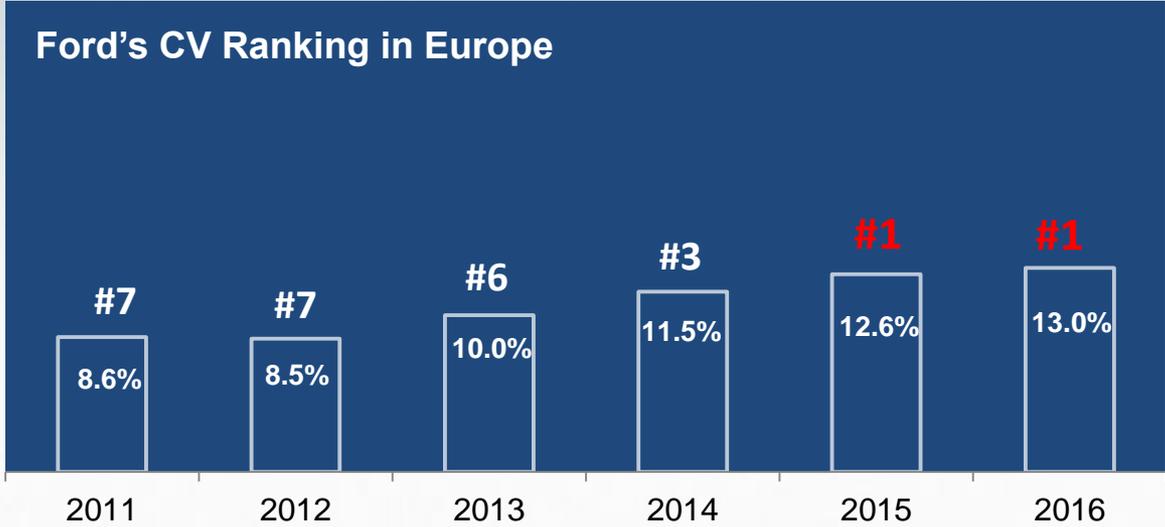
In November, the demand for light commercial vehicles grew considerably in the European market. Van segment **increased by 13.5%** (168,667 units) YoY and **grew by 12.1% YTD** (1,741,498 units). (www.acea.be)

Ford's commercial vehicle sales in Europe

- Ford was Europe's **No.1** commercial vehicle brand in **November**.
- Ford's CVs sales **rose 13%** YoY in November.
- Commercial vehicle sales were **up 17%** year-to-date, **record** for Ford YTD CV sales.



Ford Ranks No. 1 in European Commercial Vehicles



#1 Ford is Europe's No. 1 commercial vehicle brand in 2016

19% YoY increase in Transit Family sales

81% Ford Otosan's share in Ford of Europe's 2016 Transit sales

72% Ford Otosan's share in Ford of Europe's 2016 CV sales

Large Scale Investment Program >US\$1 Billion (2010-2014)

Transit



Courier



US\$ 75 million +

Ford Trucks



€ 370 million

Custom



Yeniköy



US\$ 850 million

Favorable Financing Terms

- €150 million loan agreement signed with EBRD in 2010 (Paid and closed as of December 2015)
 - 5-year loan with 2-years grace period
 - Euribor + 2.75%
- €190 million loan agreement signed with EIB in 2012
 - 8-year loan with 2-years grace period
 - €100 million in Q3 at 2.06%
 - €90 million in Q4 at 1.47%
- €100 million loan agreement signed with a consortium of foreign banks in July 2014 (HSBC, Societe Generale and The Bank of Tokyo-Mitsubishi UFJ, Ltd.)
 - 4-year loan with 2-years grace period
 - Euribor + 2.30%
- €140 million loan agreement signed with EBRD and a consortium of foreign banks in July 2014
 - €70 million loan funded by EBRD, €70 million funded as syndicated loan (HSBC, Societe Generale, The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Credit Agricole)
 - 5-year loan with 2-years grace period
 - Euribor + 2.25%
- €100 million loan agreement signed with EIB in December 2015
 - The loan was utilized in the first quarter of 2016
 - 6-year loan at 0.87%

Highest Production Capacity in Turkish Automotive

Old: 330,000 (pre-investments)

210,000



Transit

110,000



Connect

10,000



Cargo

Kocaeli Plant

İnönü Plant

New: 415,000 (2014)

140,000 - 160,000



New Transit

130,000-150,000



Custom

110,000



Courier

15,000



Cargo

Gölcük Plant

290,000

Yeniköy Plant

110,000

İnönü Plant

Kocaeli Plants

400,000

Technology Licensing & Engineering Agreements

- The agreements with JMC have a 12-year term, starting with 2016 model year, to be extended every 3-years.
- Ford Otosan will be generating royalty fees with strong long-term growth potential.

Ecotorq engines

- Signed on April 24th, 2013.
- JMC branded vehicles manufactured in China using these engines and the licensed products will be sold in China and the export markets as agreed by the parties.
- A license fee of €150 - €190 will be charged per product. €1 million license fee was collected as advance payment in 2013.



Chassis, cab and components of Ford heavy trucks

- Signed on July 25th, 2014.
- The products and JMC branded vehicles containing these products will be sold in China.
- Ford Otosan received an advance license fee of €8 million. An average license fee of €390 per Chassis and €39 per cab will be charged.



Focus on Shareholder Value

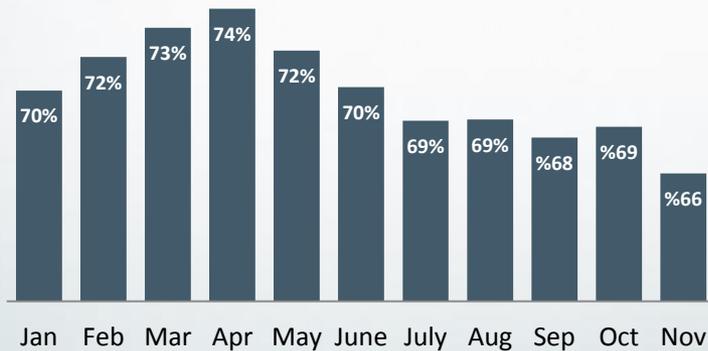
Strong relative share performance



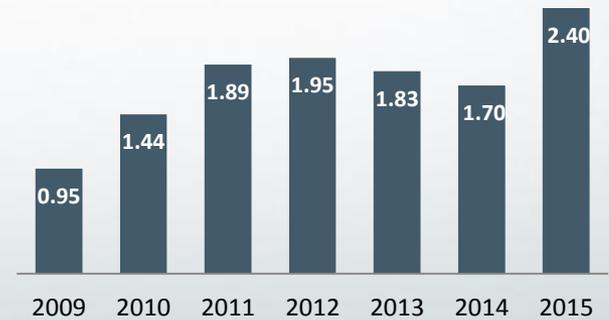
Commitment to corporate governance

- Separate CEO and Chairman roles
- Independent BoD members
- Audit Committee
- Corporate Governance Committee
- Early Determination and Management of Risk Committee
- Remuneration Committee

Foreign ownership in free float (2016)

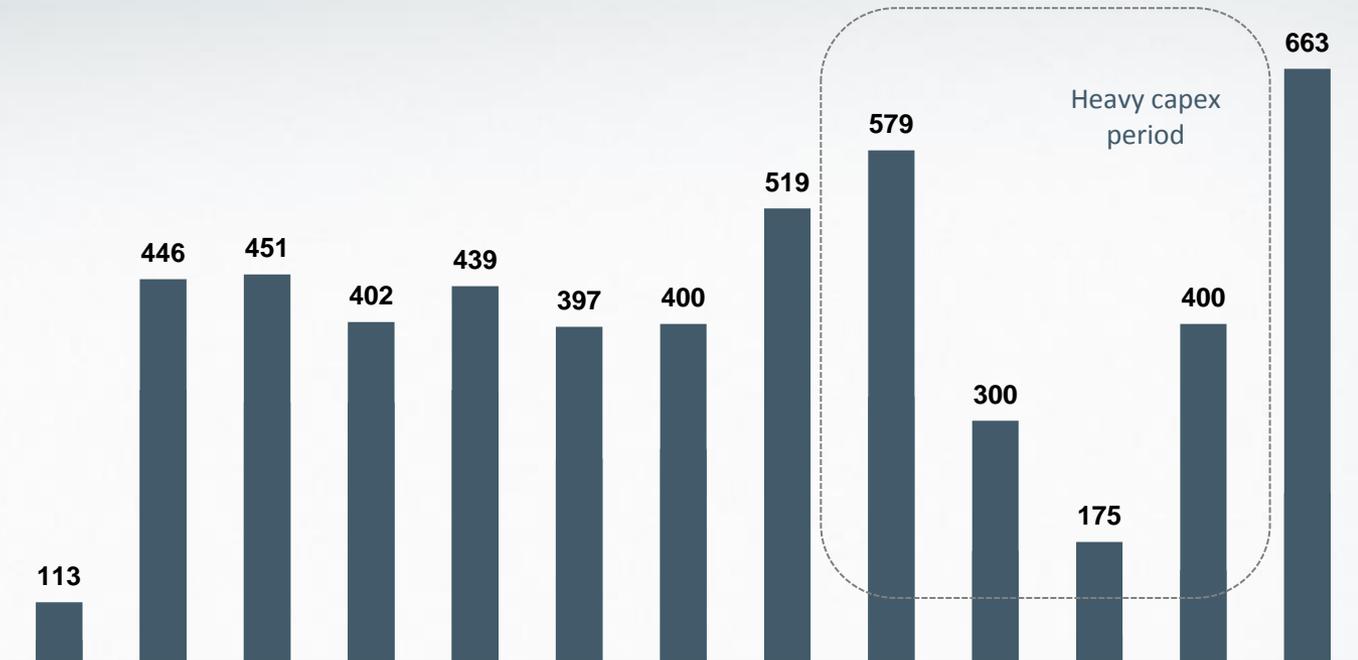


Earnings per share (for Kr 1 nominal value)



Dividend History and Policy

Ford Otosan paid TL 5.3 billion (US\$3.2 billion) in dividends since 2004.



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Dividend (TL mn, gross)	113	446	451	402	439	397	400	519	579	300	175	400	663
Dividend (US\$ mn, gross)	74	332	319	319	332	261	271	321	325	166	79	146	226

In principle, subject to be covered by the resources existing in legal records, and subject to the decision of the Ordinary or Extraordinary General Assembly Meeting, excluding periods of large investment or severe economic downturn, by taking into consideration other legislation, financial and market conditions, long-term strategy, investment and financing policies, profitability and cash position, minimum 50% of the distributable profit for the period calculated within the framework of the Capital Markets Legislation is distributed in the form of cash or stock.

Strong & Committed JV Partner Support



- Turkey's largest industrial and services group in terms of revenues, exports, employees and market capitalization on the Borsa İstanbul.
- Following an average annual growth rate of 18% in consolidated profit in US\$ terms between 2003-2013, Koç Holding ranks among the world's top 350 companies in Fortune 500 (2014 report).
- Has leading positions with strong competitive advantages in various sectors, such as energy, automotive, consumer durables and finance, which offer strong long-term growth potential.



- Global automotive industry leader based in Dearborn, Michigan, that manufactures and distributes automobiles across six continents.
- Automotive brands include Ford and Lincoln.
- 199,000 employees and 67 plants worldwide.
- Provides financial services through Ford Motor Credit Company.

Large Distribution Network (LCV/MCV/Passenger)



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

Sales:	114
After-Sales:	125
Total	159

Large Distribution Network (Ford Trucks)

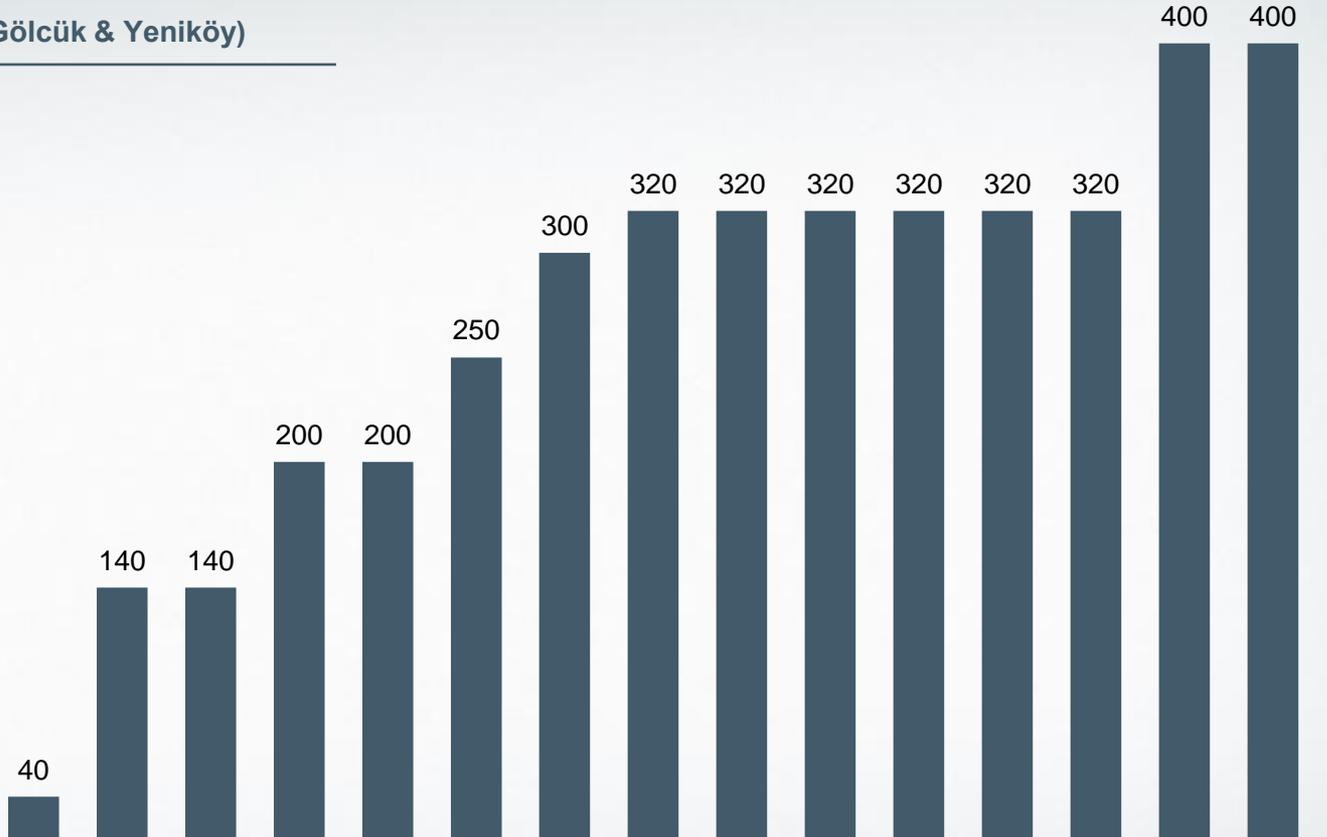


Ford Otosan provides maintenance, servicing and repairs through its customer-focused and innovative sales and after-sales network that spans the whole country.

Sales:	27
After-Sales:	29
Total	30

Efficient Production Hub

Ford Otosan Kocaeli Plants (Gölcük & Yeniköy)



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
■ Year-end Capacity ('000 units)	40	140	140	200	200	250	300	320	320	320	320	320	320	400	400
■ Kocaeli Plants (Gölcük&Yeniköy) CUR	45%	34%	80%	100%	117%	100%	93%	82%	54%	74%	90%	83%	86%	59%	81%
■ Turkey Industry CUR*	29%	35%	52%	73%	76%	81%	86%	77%	57%	72%	76%	68%	73%	70%	80%

*Source: Automotive Manufacturers' Association (www.osd.org.tr)

R&D Focused on Excellence

Ford Otosan has the largest R&D center in Turkey with over 1,350 R&D engineers.

Capability and infrastructure to design, develop and test a complete vehicle end-to-end, including its engine and engine systems.



Sancaktepe R&D Center

Center of Excellence for heavy trucks and related heavy duty diesel powertrains

Design studio, CAVE lab (1st in Turkey), vehicle and engine HIL labs

İnönü Product Development

Prototype engine manufacturing and testing

The only facility to test extra heavy engines over 13L in Turkey

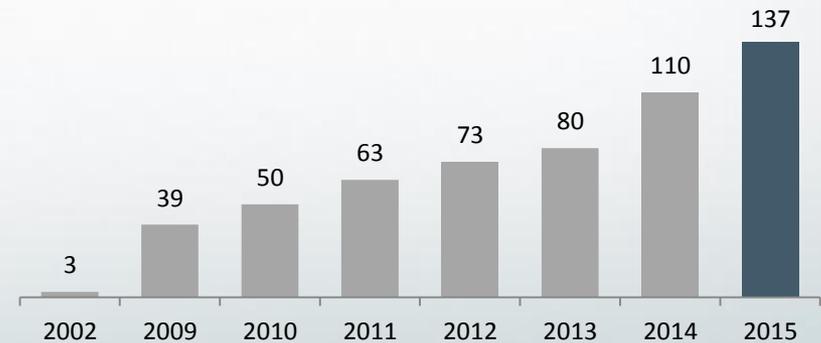


Gölcük R&D Center

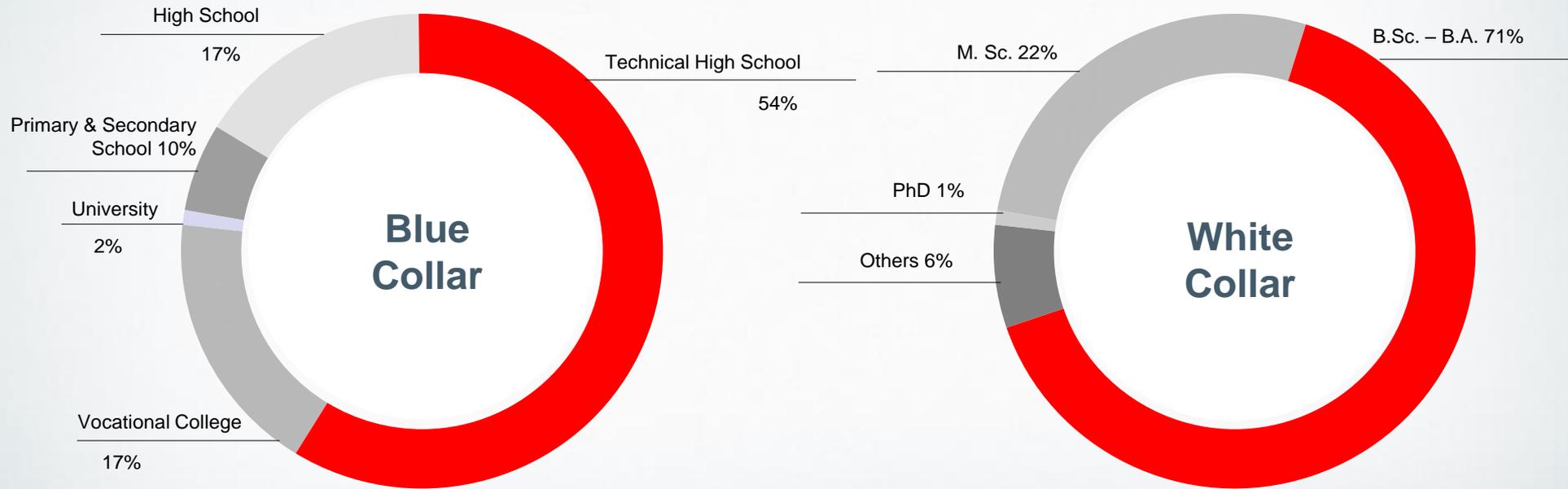
Engine testing, vehicle testing and development workshops



Patent Applications

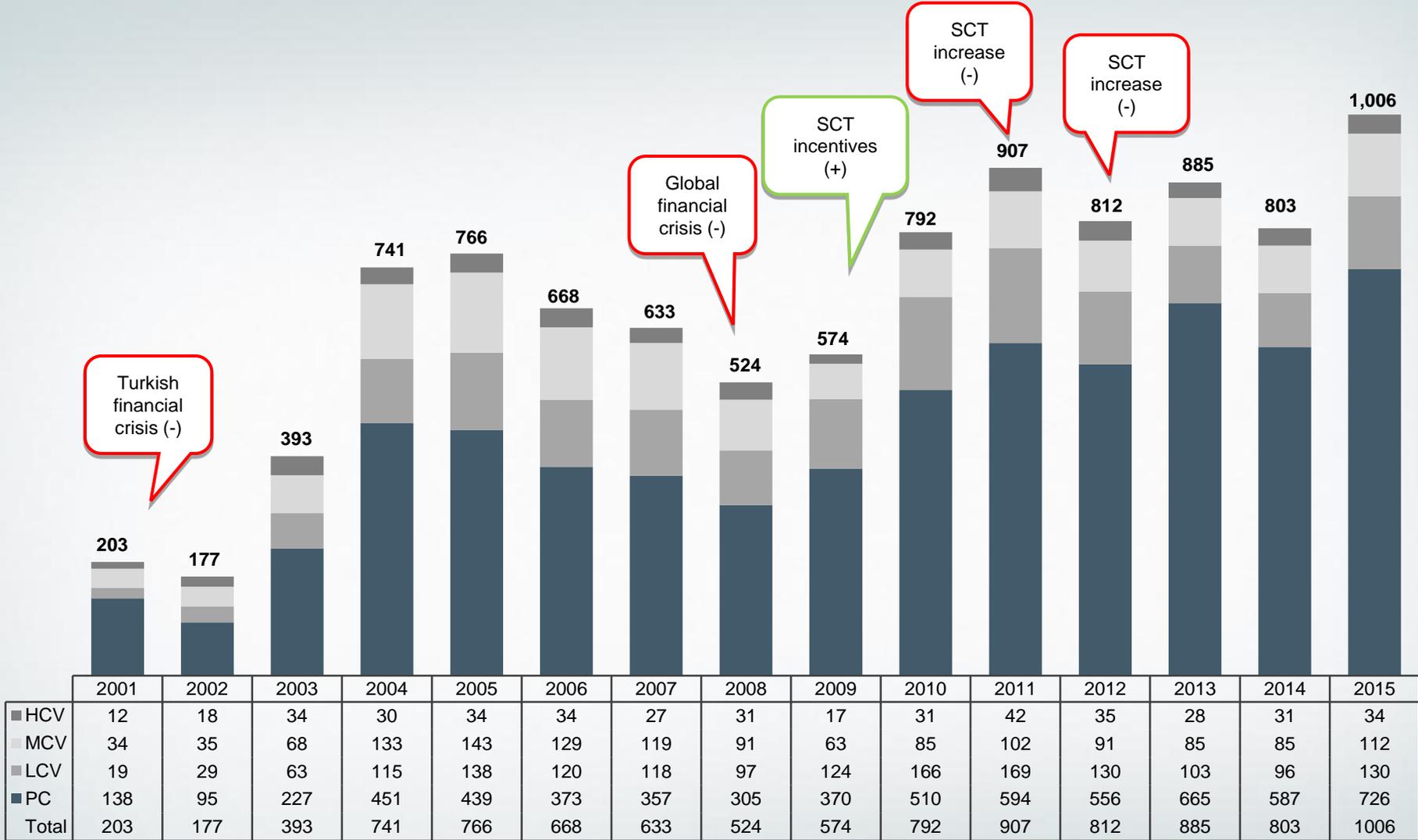


Experienced and Skilled Workforce

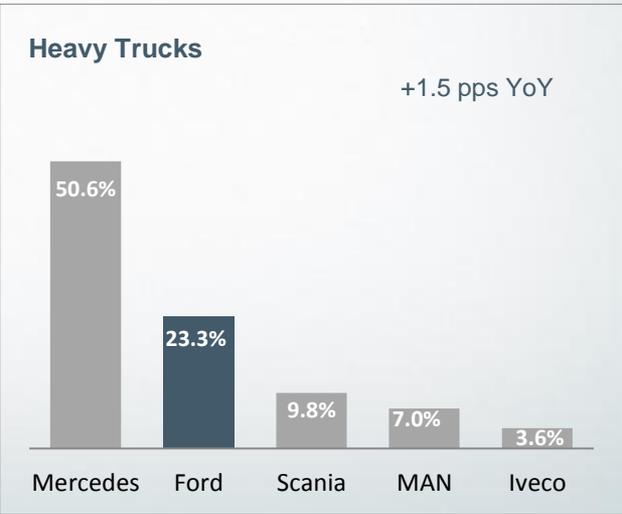
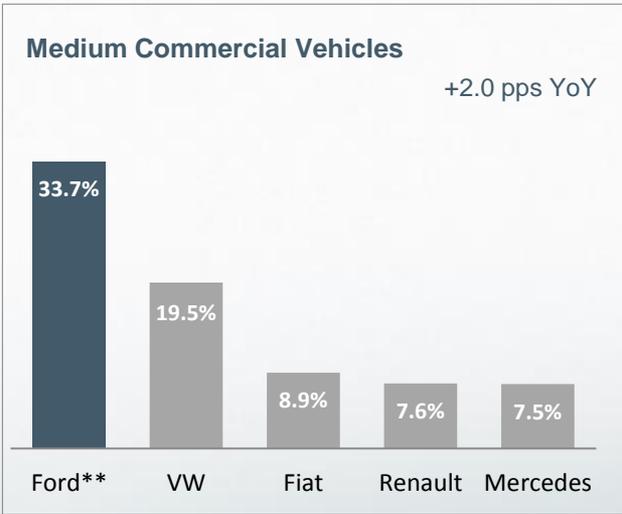
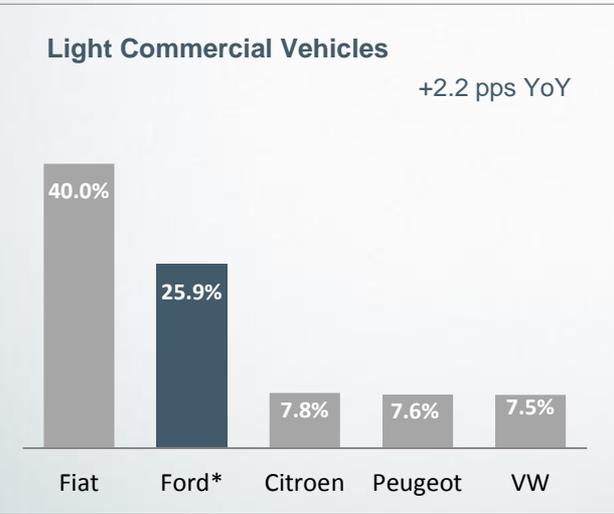
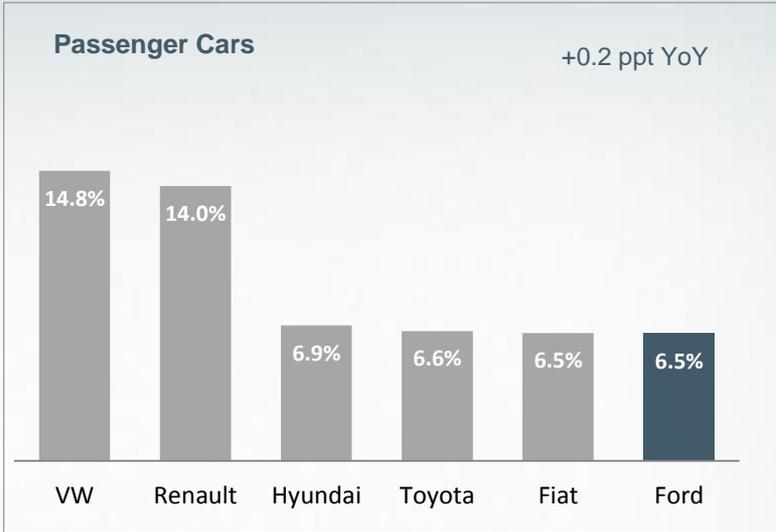
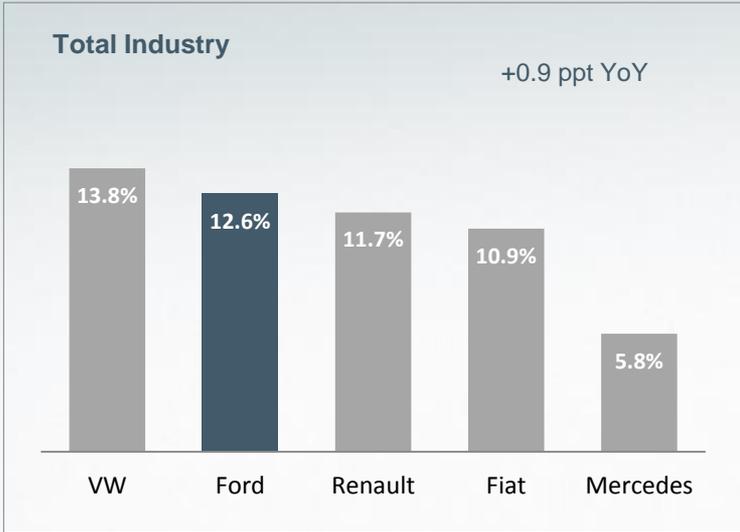


Operating & Financial Performance

Turkish Automotive Industry (000 units)



Turkish Market Shares (2015)

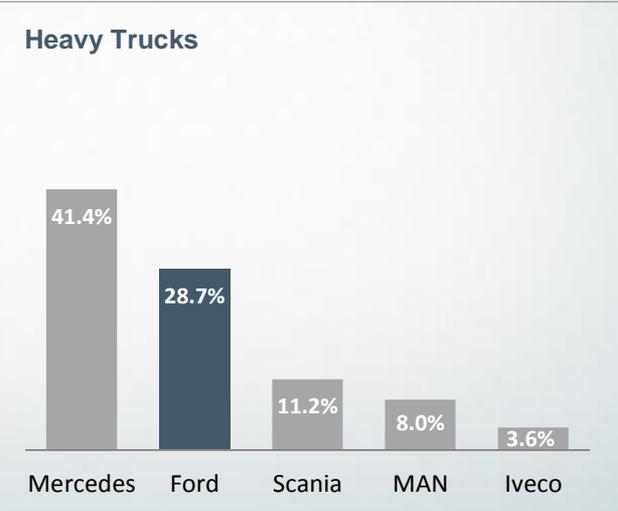
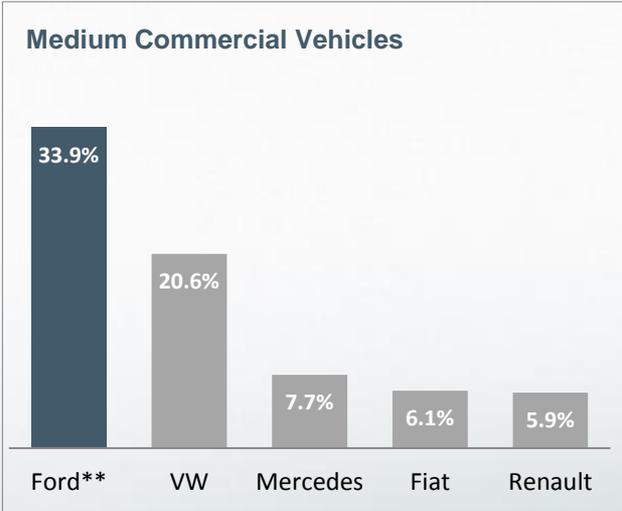
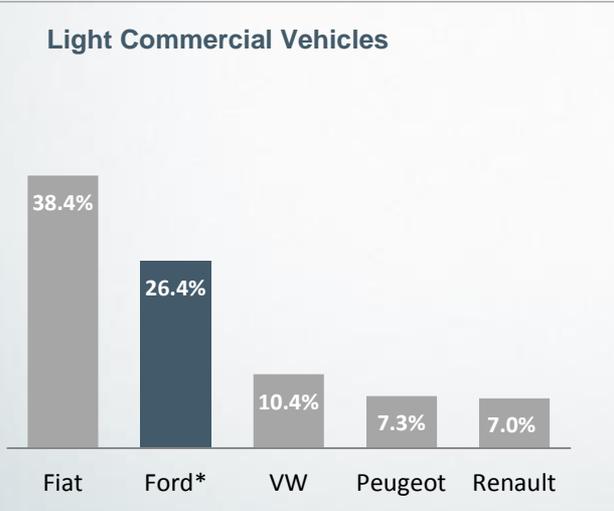
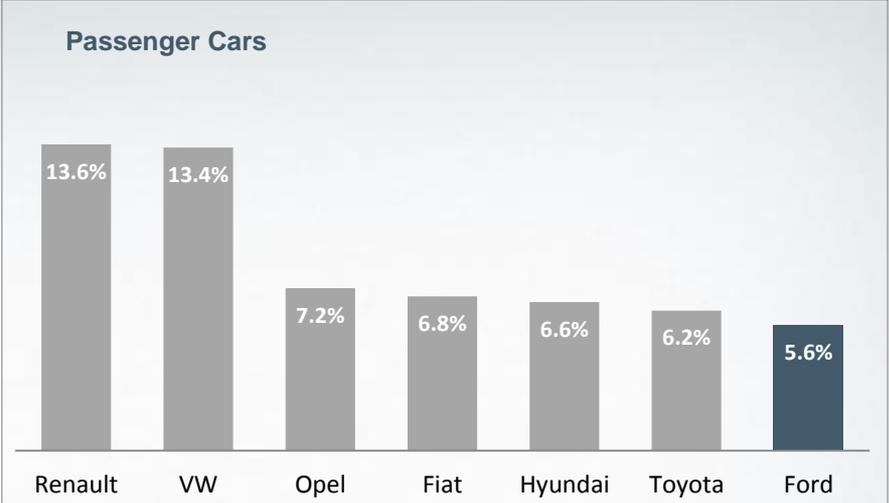
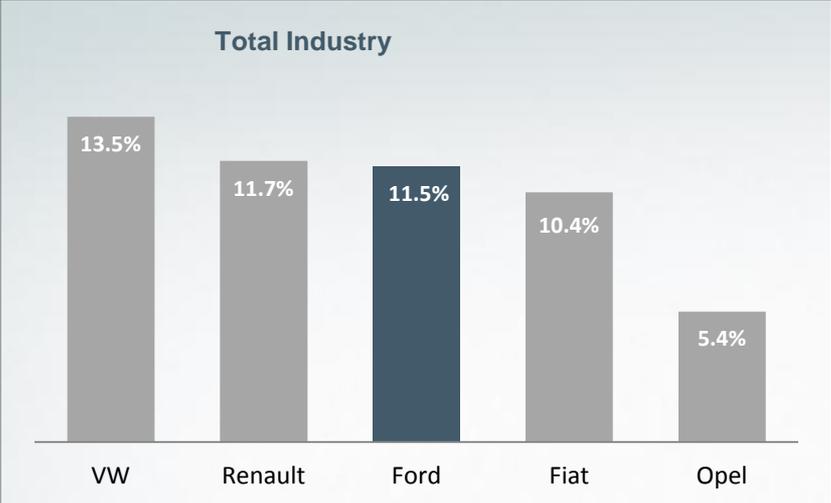


* Courier and Connect

** Transit and Custom

Source: ODD and TAID

Turkish Market Shares (November YTD 2016)



* Courier and Connect

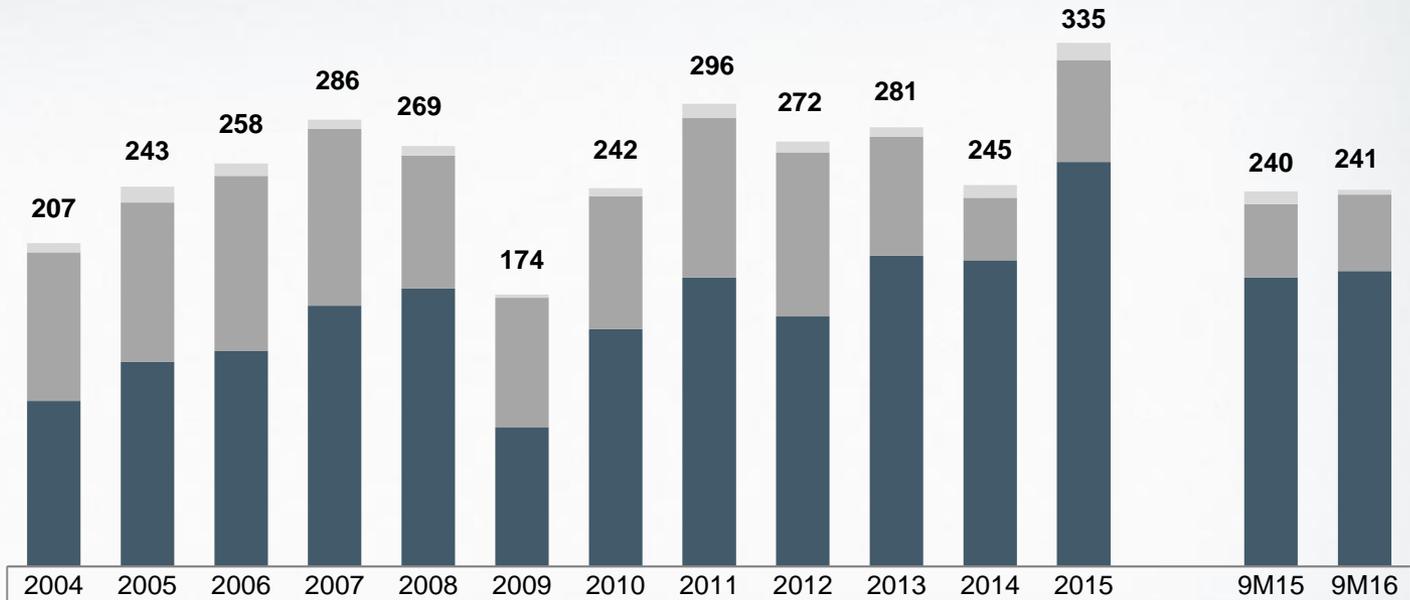
** Transit and Custom

Source: ODD and TAID

Turkish Market & Ford Otosan Retail Sales (Units)

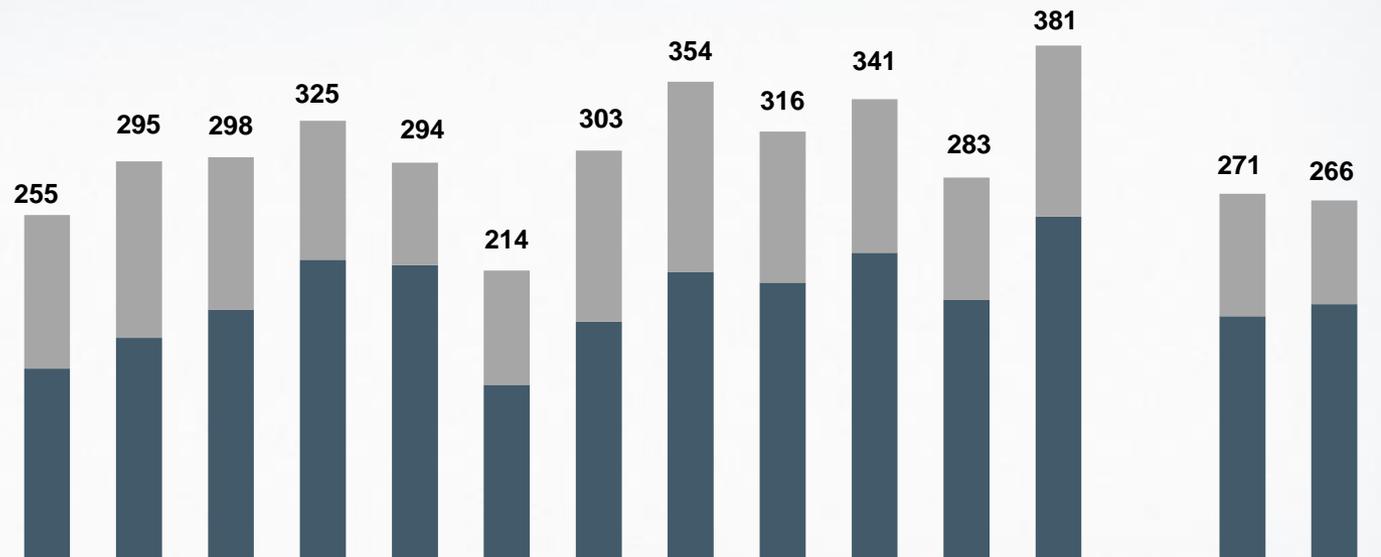
	Nov '16	Nov '15	YoY	Nov '16 YTD	Nov '15 YTD	YoY	Nov '16	Oct '16	MoM	2015
PC										
Ford Otosan	4,682	3,232	45%	36,169	40,481	-11%	4,682	3,114	50%	47,158
Industry	95,783	62,397	54%	648,894	611,256	6%	95,783	63,746	50%	725,596
% Share	4.9	5.2	-0.3	5.6	6.6	-1.0	4.9	4.9	0.0	6.5
LCV										
Ford Otosan	3,788	2,812	35%	27,116	27,632	-2%	3,788	2,571	47%	33,708
Industry	14,727	11,406	29%	102,875	105,481	-2%	14,727	10,664	38%	130,286
% Share	25.7	24.7	1.1	26.4	26.2	0.2	25.7	24.1	1.6	25.9
MCV										
Ford Otosan	4,030	3,520	14%	30,539	31,055	-2%	4,030	3,155	28%	37,774
Industry	11,799	10,798	9%	90,039	95,107	-5%	11,799	8,590	37%	112,135
% Share	34.2	32.6	1.6	33.9	32.7	1.3	34.2	36.7	-2.6	33.7
Truck										
Ford Otosan	757	524	44%	4,693	6,746	-30%	757	508	49%	7,828
Industry	1,850	2,626	-30%	16,341	27,744	-41%	1,850	1,749	6%	33,656
% Share	40.9	20.0	21.0	28.7	24.3	4.4	40.9	29.0	11.9	23.3
Total										
Ford Otosan	13,257	10,088	31%	98,517	105,914	-7%	13,257	9,348	42%	126,468
Industry	124,432	87,494	42%	859,833	843,121	2%	124,432	84,963	46%	1,005,850
% Share	10.7	11.5	-0.9	11.5	12.6	-1.1	10.7	11.0	-0.3	12.6

Production Volume by Segment (000 units)



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	9M15	9M16
Heavy Truck	6	10	8	6	6	2	5	9	7	6	8	11	8	3
Light Commercial Vehicle	95	102	112	113	85	83	85	102	105	76	40	65	47	49
Medium Commercial Vehicle	106	131	138	167	178	89	152	185	160	199	196	259	185	189

Wholesale Volume – Domestic & Export (000 units)



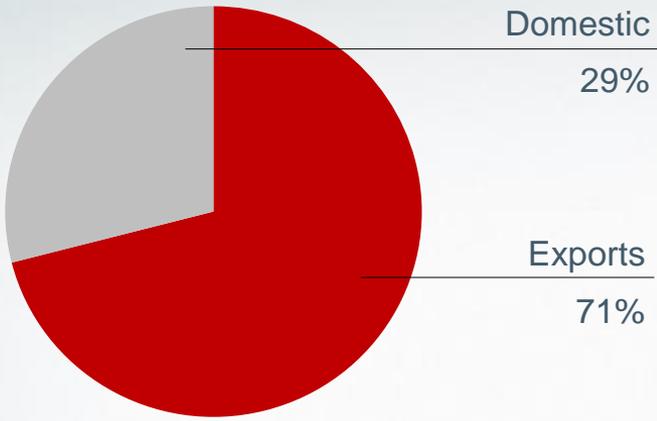
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	9M15	9M16
■ Domestic	114	131	113	103	76	85	127	141	112	114	91	127	91	77
■ Export	141	164	185	222	218	129	176	213	205	227	192	254	180	189
Share of Exports	55%	56%	62%	68%	74%	60%	58%	60%	65%	67%	68%	67%	66%	71%

Sales Volume by Model

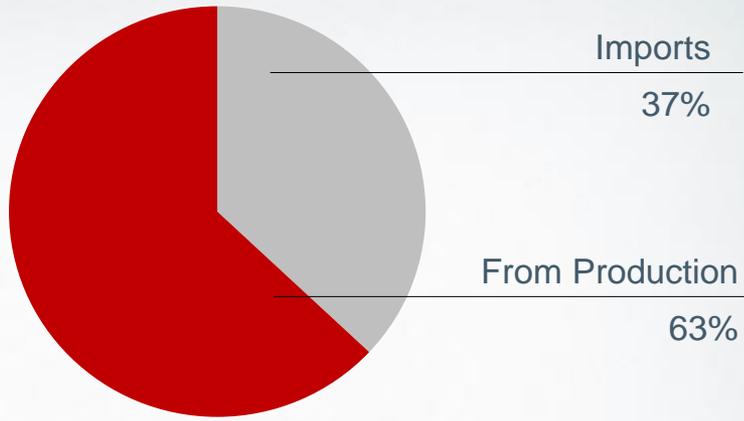
	9M16	9M15	YoY %	3Q16	3Q15	YoY %
Total Domestic	77,168	91,249	-15%	22,166	30,875	-28%
PC	24,136	33,935	-29%	5,873	10,978	-47%
Transit Courier	23,565	23,915	-1%	7,112	7,775	-9%
Transit Connect	2,159	2,093	3%	689	734	-6%
LCV	25,724	26,008	-1%	7,801	8,509	-8%
Transit	18,062	20,074	-10%	5,717	7,542	-24%
Transit Custom	4,667	4,595	2%	1,481	1,775	-17%
Ranger	1,107	741	49%	374	635	-41%
MCV	23,836	25,410	-6%	7,572	9,952	-24%
Cargo	3,472	5,896	-41%	920	1,436	-36%
Total Exports	188,735	180,135	5%	53,152	64,308	-17%
Transit Custom	92,804	88,234	5%	27,197	33,440	-19%
Transit	70,421	68,966	2%	18,629	21,614	-14%
Transit Courier	24,728	22,221	11%	7,067	8,991	-21%
Cargo	461	410	12%	168	149	13%
Other	321	304	6%	91	114	-20%
Total	265,903	271,384	-2%	75,318	95,183	-21%

Volume Analysis (9M16)

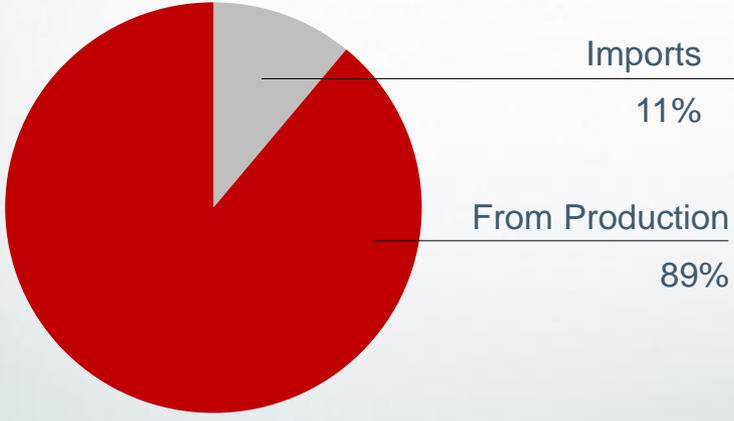
Total Sales



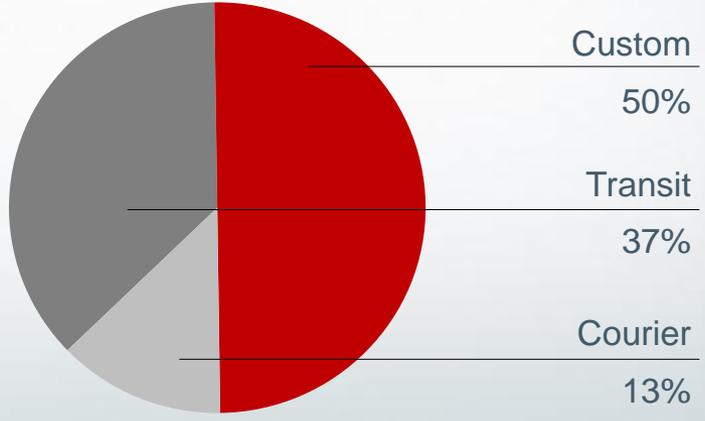
Domestic Sales



Total Sales



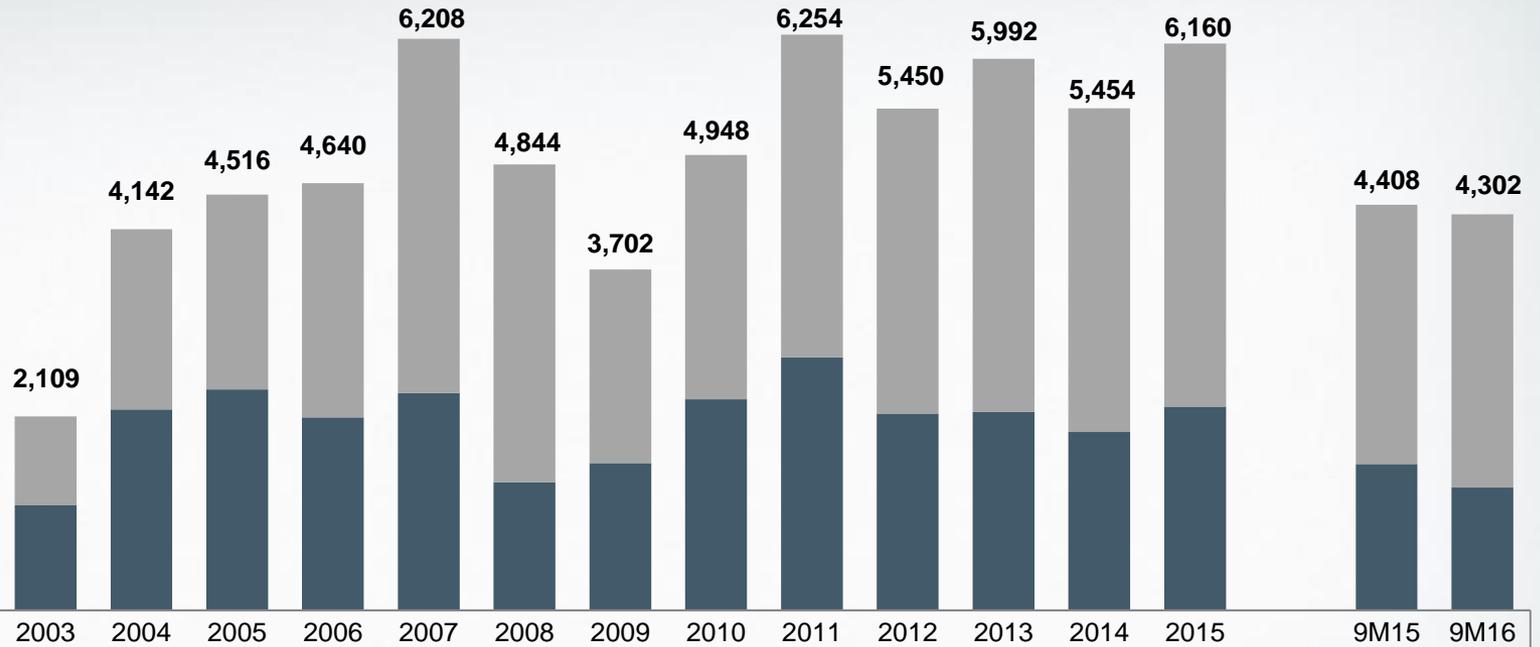
Exports by Model



Main Financial Indicators

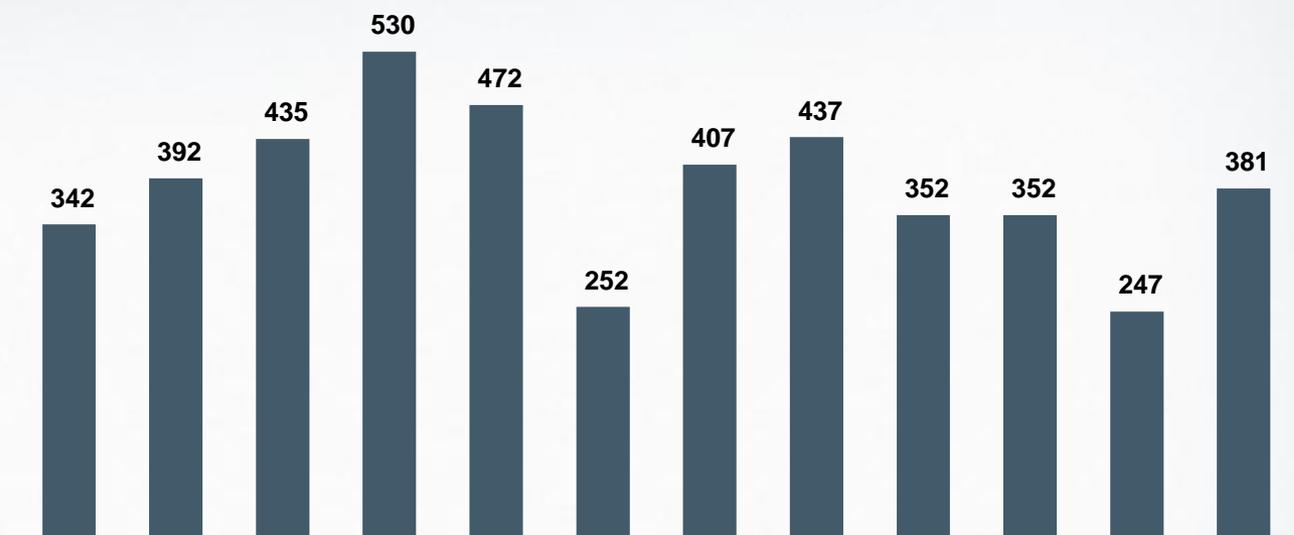
Million TL	9M16	9M15	YoY %	3Q16	3Q15	YoY%
Total Revenues	12,640	11,731	8%	3,840	4,205	-9%
Export	8,720	7,499	16%	2,663	2,796	-5%
Domestic	3,920	4,231	-7%	1,177	1,409	-16%
Gross Profit	1,452	1,306	11%	458	467	-2%
Operating Profit	744	749	-1%	223	284	-22%
EBITDA	1,082	1,046	3%	338	388	-13%
Profit Before Tax	656	583	13%	180	189	-5%
Net Income	638	557	15%	174	151	15%
Other Financial Data						
Depreciation & Amortization	339	297	14%	115	105	10%
Financial Income / (Expense)	-86	-166	-48%	-42	-94	-56%
Capex	-449	-326	38%	-194	-137	42%

Revenues - Domestic & Export



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	9M15	9M16
■ Export (US\$ bn)	965	1.957	2.114	2.543	3.846	3.450	2.101	2.655	3.505	3.312	3.835	3.516	3.944	2.818	2.968
■ Domestic (US\$ bn)	1.144	2.185	2.402	2.097	2.362	1.394	1.601	2.293	2.749	2.138	2.157	1.938	2.215	1.590	1.334
Total (US\$ bn)	2.109	4.142	4.516	4.640	6.208	4.844	3.702	4.948	6.254	5.450	5.992	5.454	6.160	4.408	4.302
Total (TL bn)	3.352	5.559	6.059	6.521	7.231	7.007	5.574	7.649	10.445	9.768	11.405	11.925	16.746	11.731	12.640
Share of Exports	46%	47%	47%	55%	62%	71%	57%	54%	56%	61%	64%	64%	64%	64%	69%

Operating Profit and Margin



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
■ Operating Profit, US\$ mn	342	392	435	530	472	252	407	437	352	352	247	381
Operating Profit, TL mn	487	538	569	690	613	389	610	729	631	670	541	1.036
Operating Margin (%)	8,8%	8,9%	8,7%	9,5%	8,7%	7,0%	8,0%	7,0%	6,5%	5,9%	4,5%	6,2%

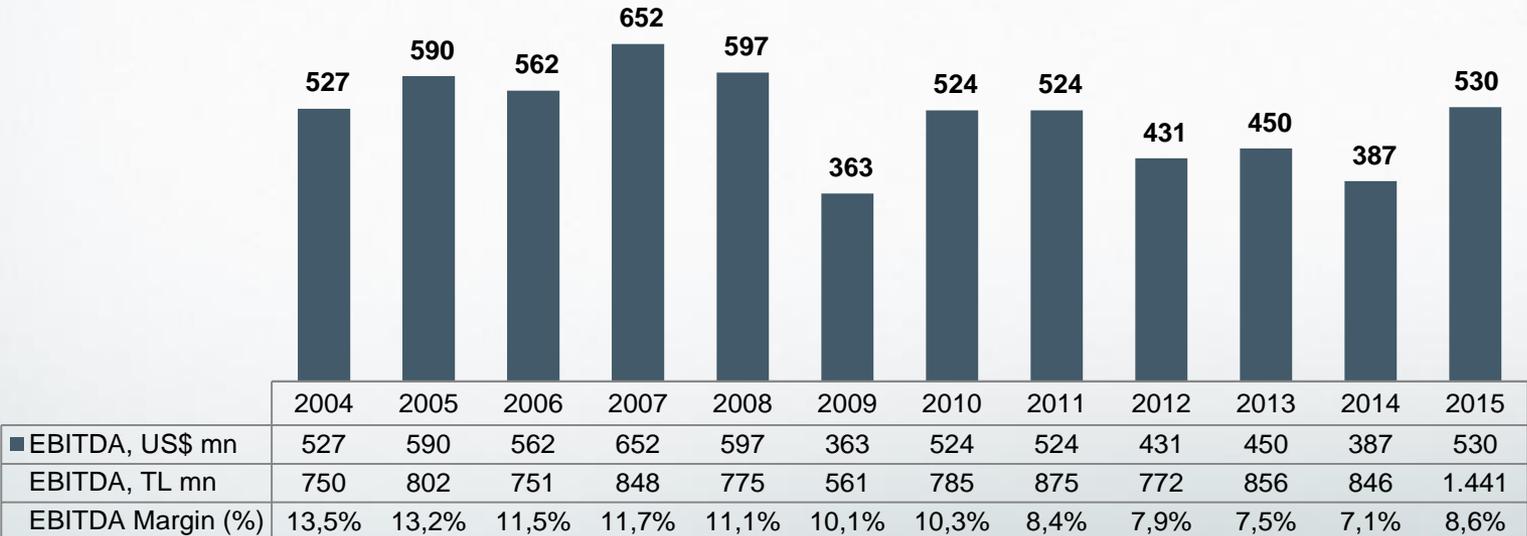
EBITDA and EBITDA Margin

Profitability rose in 2015 due to:

- New products
- Higher volumes in both domestic and export markets
- Favorable sales mix
- Focus on pricing against the backdrop of high currency volatility
- Higher capacity utilization
- Cost reduction actions

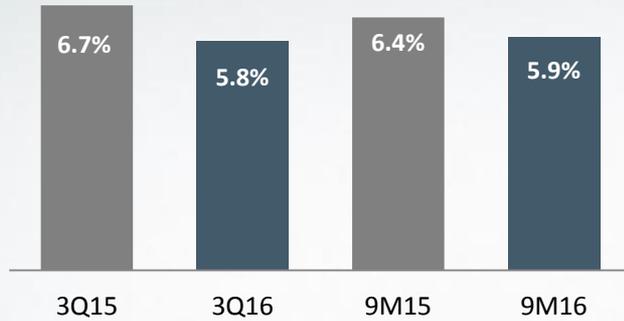
2010-2014 margin decline is due to:

- Changing business mix and highly competitive pricing landscape
- Industry shift towards PC leading to a less favorable sales mix
- Aged product portfolio
- Rising import costs and financial expenses due to TL volatility

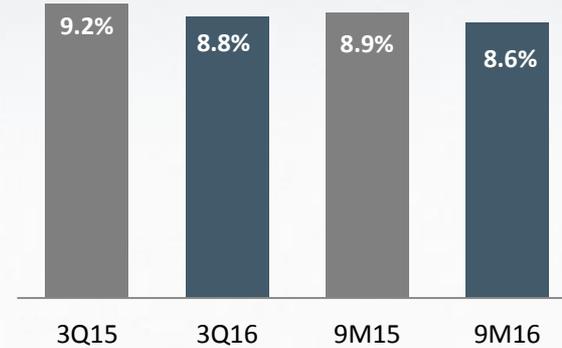


3Q and 9M Margins

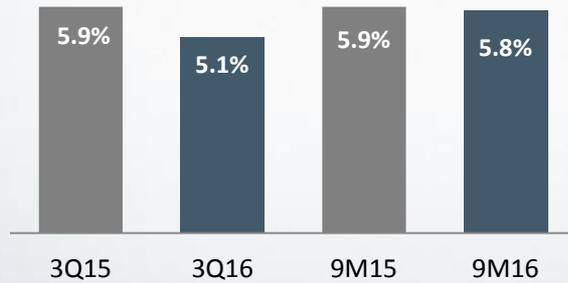
Operating Margin



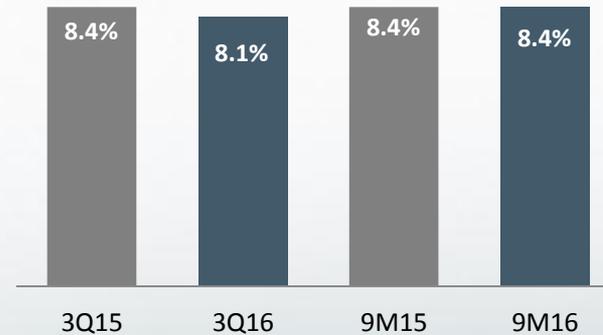
EBITDA Margin



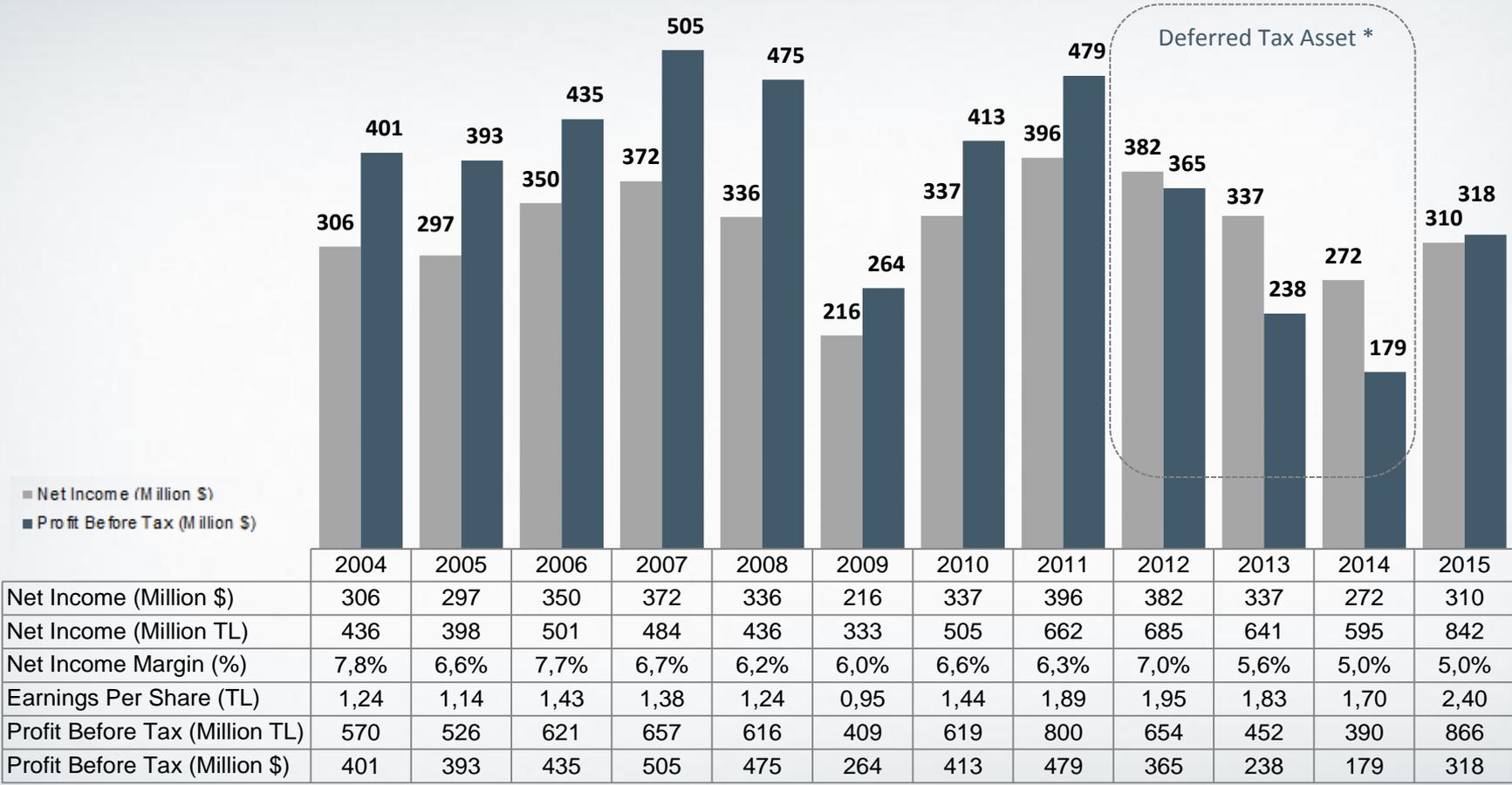
Operating Margin (excl. Other items)



EBITDA Margin (excl. Other items)



PBT & Net Income



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net Income (Million \$)	306	297	350	372	336	216	337	396	382	337	272	310
Net Income (Million TL)	436	398	501	484	436	333	505	662	685	641	595	842
Net Income Margin (%)	7,8%	6,6%	7,7%	6,7%	6,2%	6,0%	6,6%	6,3%	7,0%	5,6%	5,0%	5,0%
Earnings Per Share (TL)	1,24	1,14	1,43	1,38	1,24	0,95	1,44	1,89	1,95	1,83	1,70	2,40
Profit Before Tax (Million TL)	570	526	621	657	616	409	619	800	654	452	390	866
Profit Before Tax (Million \$)	401	393	435	505	475	264	413	479	365	238	179	318

* Net profit is higher than profit before tax due to deferred tax asset established in line with the investment incentives granted by the government.

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 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 21 days' cash outflow
€80 million credit commitment & €70 million factoring agreements for potential needs.
Net debt as of 9M16 is TL2.1 billion.

FX Risk

Excess cash is invested in hard currencies to minimize fx exposure
Natural hedge against volatility due to fx-denominated export revenues: 69% of revenues
Ford Otosan is a net exporter: US\$ 3.0 billion in the last 5 years (2011-2015)

Capital Risk

Net financial debt / tangible equity is monitored as a management criteria; capped at 1.25

Debt Profile & Financial Ratios

Cash Position (TL mn)	30.09.2016	31.12.2015
Cash & Cash Equivalents	607	980
Total Financial Debt	(2,674)	(2,561)
Net Financial Debt	(2,067)	(1,580)
Financial Ratios	30.09.2016	31.12.2015
Current ratio	1.10	1.05
Liquidity ratio	0.63	0.73
Net Financial Debt / Tangible Net Worth	0.75	0.63
Current Assets / Total Assets	0.47	0.48
Current Liabilities / Total Liabilities	0.69	0.71
Total Liabilities / Total Liabilities and Equity	0.61	0.64
Return on Equity	25.8%	27.5%
Margins	30.09.2016	30.09.2015
Gross Margin	11.5%	11.1%
EBITDA Margin	8.6%	8.9%
EBITDA Margin (excl.other items)	8.4%	8.4%
Operating Margin	5.9%	6.4%
Net Income Margin	5.0%	4.7%

2016 Guidance

	2015 Actuals	2016
Turkish Industry Volume	1,006 K	980 K – 1 million
Ford Otosan Retail Sales Volume	126 K	115 -120 K
Exports	254 K	260 - 265 K
Wholesale Volume	381 K	375 - 385 K
Production Volume	335 K	335 - 340 K
Capex (fixed assets)	€126 mn	€160-170 mn

Guidance updated in October 2016. According to the Capital Markets Board, companies are allowed to provide guidance 4 times a year. Our next update will be announced as part of FY16 financial results.

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