

## Highlights

<u>Financial Results</u>	<u>Million TL</u>	<u>YoY Change</u>
Revenues	4.185	17%
Export Revenues	3.094	33%
Domestic Revenues	1.091	-12%
Operating Profit	237	10%
EBITDA	347	12%
Profit Before Tax	210	12%
Net Income	203	-13%
<u>Volume</u>	<u>Units</u>	<u>YoY Change</u>
Production	88.889	8%
Total Wholesale Volume	93.643	9%
Export Volume	71.547	20%
Domestic Volume	22.096	-16%
Retail Volume	21.328	-11%
Market Share	12,4%	-0,6 pps

1Q16 financial results published in this earnings announcement have been prepared according to the International Financial Reporting Standards (IFRS).

Summary Income Statement, Million TL	31.03.2016	31.03.2015	% Change
<b>Revenues</b>	4.185	3.563	17%
Export	3.094	2.324	33%
Domestic	1.091	1.239	-12%
<b>Gross Profit</b>	465	387	20%
<b>Operating Profit</b>	237	216	10%
Financial Income/(Expense)	-26	-27	-5%
<b>Profit Before Tax</b>	210	188	12%
<b>Net Income</b>	203	232	-13%
<b>Other Financial Data</b>			
Depreciation and Amortization	110	95	16%
EBITDA	347	311	12%
Capital Expenditures	-102	-94	8%

#### Revenues

Total sales in the Turkish auto industry contracted 6% YoY in the first quarter to 172,322 units. PC sales grew 1%, marking the highest first quarter on record. LCV (down 19% YoY), MCV (down 4% YoY) and Truck (down 62% YoY) sales declined. PC share in the total industry was 74%, up from 69% a year ago. LCV industry share was 11%, down from 13% in 1Q15. Ford Otosan took third place in the industry with 21,328 units retail sales and 12.4% market share.

Ford Otosan's domestic wholesale volumes were 22,096, down 16% YoY due to the market contraction. Domestic revenues were TL 1,091 million, down 12% YoY with lower volumes. Exports grew 20% YoY to 71,547 units with market growth and ongoing strong demand for our new products. Ford was Europe's No.1 commercial vehicle brand in the first quarter with 13.7% market share. The Transit was Europe's best-selling CV nameplate in the combined 1- and 2-tonne market segment. With this strong performance, export revenues rose 33% YoY and reached 3,094 million TL. Total wholesale volume was 93,643 units, up 9% YoY. Total revenues were up 17% YoY to 4,185 million TL. The share of exports in total revenues was 74%, up from 65% in 1Q15.

Production increased by 8% YoY to 88,889 units, yielding 86% CUR, up from 79% a year ago.

#### Profitability

Profitability was strong in 1Q despite (1) Rising import costs resulting from weaker TL/€ (3.24 in 1Q16 versus 2.77 in 1Q15) and (2) Lower domestic volumes. Drivers were:

- + Higher export volume
- + Focus on pricing to offset the impact of TL devaluation
- + Increasing CUR (86% in 1Q16 vs 79% in 1Q15)
- + Cost reduction actions and positive impact of commodity prices

Gross profit was up by 20% YoY to TL 465 million. EBITDA grew by 12% YoY to TL 347 million. Operating profit grew by 10% YoY to TL 237 million, despite the 16% YoY rise in depreciation and amortization. Profit before tax rose by 12% YoY to TL 210 million. Net income was booked as TL 203 million, down 13% YoY, due to the TL7 million tax expense as opposed to the TL44 million tax income in 1Q15, based on the deferred tax asset/investment incentives.

Margins: Gross 11.1%; EBITDA 8.3%; EBITDA margin excluding other income 8.7% and Operating 5.7%

Sales Volume by Model, units	31.03.2016	31.03.2015	% Change
<b>Domestic Sales</b>			
Passenger Car	7.259	8.806	-18%
Transit Courier	6.773	7.261	-7%
Transit Connect	532	389	37%
Light Commercial Vehicle	7.305	7.650	-5%
Transit	5.313	6.363	-17%
Transit Custom	1.277	1.284	-1%
Ranger	26	2	1200%
Medium Commercial Vehicle	6.616	7.649	-14%
Truck	916	2.131	-57%
<b>Total Domestic</b>	<b>22.096</b>	<b>26.236</b>	<b>-16%</b>
<b>Export Sales</b>			
Transit Custom	34.305	28.908	19%
Transit	27.888	23.782	17%
Transit Courier	9.083	6.718	35%
Cargo	135	136	-1%
Other	136	91	49%
<b>Total Exports</b>	<b>71.547</b>	<b>59.635</b>	<b>20%</b>
<b>Total Wholesale Volume</b>	<b>93.643</b>	<b>85.871</b>	<b>9%</b>

Total Domestic Automotive Industry	172.322	183.066	-6%
Ford Otosan Retail Sales	21.328	23.854	-11%
Ford Otosan Market Share	12,4%	13,0%	-0,6 pps

Summary Balance Sheet, Million TL	31.03.2016	31.12.2015	% Change
Current Assets	4.424	4.031	10%
Current Liabilities	4.154	3.824	9%
Property, Plant and Equipment - Net	3.238	3.251	0%
Total Assets	8.820	8.428	5%
Total Liabilities	5.907	5.368	10%
Shareholders' Equity	2.913	3.060	-5%

Financial Ratios		
	31.03.2016	31.12.2015
Current Ratio	1,07	1,05
Liquidity Ratio	0,70	0,73
Net Financial Debt / Tangible Net Worth	0,78	0,63
Current Assets / Total Assets	0,50	0,48
Current Liabilities / Total Liabilities	0,70	0,71
Total Liabilities / Total Liabilities and Equity	0,67	0,64
Return on Equity	27,9%	27,5%
	31.03.2016	31.03.2015
Gross Margin	11,1%	10,8%
EBITDA Margin	8,3%	8,7%
EBITDA Margin excluding other income/expense	8,7%	8,6%
Operating Margin	5,7%	6,0%
Net Income Margin	4,9%	6,5%

Summary Cash Flow Statement, Million TL	31.03.2016	31.03.2015	% Change
Beginning Balance of Cash & Equivalents	980	577	70%
Net Cash Generated from Operating Activities	210	47	345%
Net Cash Used in Investing Activities	-95	-87	9%
Net Cash Used in Financing Activities	-58	-16	254%
End of Period Balance of Cash & Equivalents	1038	521	99%

2016 Guidance	
Total Industry Volume	980 k
Ford Otosan:	
Retail Sales Volume	123 k
Export Volume	263 k
Wholesale Volume	385 k
Production Volume	339 k
Capex (fixed assets)	€215 million

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