

**Who is Koç Holding in a nutshell?**

Koç Holding is Turkey's largest industrial and services group in terms of revenues, exports, market capitalization and number of employees. Following an average annual growth rate of 23% in U.S. dollar terms between 2002-2010, Koç Holding ranks as the 71<sup>st</sup> largest publicly traded company in Europe and 273<sup>rd</sup> largest company in the world. Koç Holding has leading positions with strong competitive advantages in energy, automotive, consumer durables and finance sectors, which offer strong long term growth potential.

Koç Holding's foremost objective is to continue to create higher added value for all its stakeholders and manage all its activities according to international standards of corporate governance, customer satisfaction, social responsibility and environmental protection principles. Acting as one common mind, in one common strength, towards one common purpose and creating one common legacy for 85 years, we continue our journey which began in 1926, following a growth strategy that pursues bigger investments in our core business lines for sustainable profitability.

**What is Koç Holding's ownership structure?**

Koç Holding'in hissedar yapısı aşağıdaki gibidir:

Koç Family	68.51%
Free Float	22.35%
Vehbi Koç Foundation	7.15%
Koç Holding Pension & Assistance Foundation	1.99%

**When was Koç Holding opened to public?**

Koç Holding was opened to public on 10 January 1986. A secondary public offering was held on 26 February 2004. Currently the Company's free float is 22.35%.

**On which exchanges does Koç Holding trade? What is Koç Holding's ticker symbol?**

Koç Holding shares are traded on the İstanbul Stock Exchange National Market with the symbol "KCHOL". Our Reuters Code is KCHOL.IS. Our Bloomberg Code is KCHOL.TI.

**What are the underlying principles of Koç Holding's strategy?**

- To focus on those sectors where we can create a differential competitive advantage
- To grow in sectors where we can leverage our strong brands and technological competence
- To derive maximum benefits from economies of scale by being the market leader or a close second in every business we operate
- To achieve the optimum portfolio diversification, where we can balance out and minimize sector and geography-specific risks
- To use early warning indicators and our unmatched customer database to proactively manage risks and make the best use of potential opportunities

These principles offer rapid and profitable growth opportunities in Turkey and the neighboring countries which promise a strong growth potential with their lucrative and underpenetrated markets and sectors. In addition to geographic proximity and benefits of the Customs Union, our strong organization and market positioning allows us to follow a profitable and sustainable growth strategy in Europe.

**What are Koç Holding's competitive advantages?**

- We stand as a symbol of trust and achievement
- Our powerful brands command strong recognition
- We have leading positions in sectors with low penetration levels and high growth potential
- We own Turkey's largest distribution network and customer database, facilitating strong CRM capabilities
- We provide the highest quality sales and after-sales service
- We have long-standing international partnerships
- We hold leadership positions in global markets



### Which Group companies are open to public?

Name	Ticker	Sector
Arçelik	ARCLK.IS	Consumer Durables
Aygaz	AYGAZ.IS	Energy
Ford Otosan	FROTO.IS	Automotive
Marmaris Altinyunus	MAALT.IS	Tourism
Otokar	OTKAR.IS	Automotive
Tat Konserve	TATKS.IS	Food
Tofaş	TOASO.IS	Automotive
Tüpraş	TUPRS.IS	Energy
Türk Traktör	TTRAK.IS	Automotive
Yapı ve Kredi Bankası	YKBNK.IS	Finance
Yapı Kredi Finansal Kiralama	YKFIN.IS	Finance
Yapı Kredi Koray GYO	YKGYO.IS	Finance
Yapı Kredi Yatırım Ortaklığı	YKRYO.IS	Finance
Yapı Kredi Sigorta	YKSGR.IS	Finance

### Does Koç Holding have any foreign partners?

Koç Holding has many successful and long term joint venture partnerships. Some of our partners in our core business lines are Fiat Auto S.p.A (Tofaş), Ford Motor Company (Ford Otosan), Case New Holland (Türk Traktör) and Unicredit (Koç Financial Services). For a full list of our foreign partners, please refer to the following link: [http://www.koc.com.tr/en-us/Corporate/Foreign\\_Partners/Pages/ForeignPartners.aspx](http://www.koc.com.tr/en-us/Corporate/Foreign_Partners/Pages/ForeignPartners.aspx)

### What is Koç Holding's paid-up capital?

Koç Holding's paid-up capital is TL2,415,141,000.

### What is the capital increase history of Koç Holding?

Please refer to the below link for the capital increase history of Koç Holding:

[http://www.koc.com.tr/en-us/Investor\\_Relations/Stock\\_Information/CapitalIncreases/Pages/CapitalIncreases.aspx](http://www.koc.com.tr/en-us/Investor_Relations/Stock_Information/CapitalIncreases/Pages/CapitalIncreases.aspx)

### What is Koç Holding's dividend policy?

Koç Holding's Dividend Policy is determined at the General Assembly Meeting within the framework of the provisions of the Capital Market Legislation and our Articles of Association. There are no privileges in dividend distribution between A and B type shareholders.

The Dividend Policy and the annual dividend proposal containing the details stipulated in the Capital Markets Board Corporate Governance Principles are provided in the annual report and presented to the shareholders during the General Assembly Meeting. Furthermore, detailed information on the dividend history and capital increases are posted on our Company website.

Our Company conducts a Dividend Policy within the framework of the provisions of the Turkish Commercial Code, Capital Markets Legislation, Tax Regulations and other relevant legislation as well as the provisions of our Articles of Association governing the distribution of profits.

In determining the distribution of profit, the long-term strategy of our Group, the capital requirements of our Company, our affiliates and subsidiaries, our investment and financing policies, profitability and cash position are taken into consideration.

In principle, 20% of the "distributable profit for the period", calculated within the framework of the Capital Markets Legislation and other relevant legislation, based on the net profit for the period as shown on the financial statements prepared as per the Capital Markets Legislation and subjected to independent audit, is distributed in the form of cash or stock.

If the distributable profit calculated as above is less than 5% of the issued capital, there will be no distribution of dividend.

As per the decision taken at the General Assembly Meeting, dividends can be paid out entirely in the form of cash or stock, or partly in cash and partly as stock.

If in the form of cash, the dividend distribution is completed until the end of the fifth month following the end of the respective fiscal period, at the latest. If in the form of stock, the distribution is completed until the end of sixth month, at the latest.

In accordance with the Dividend Policy, dividends are allocated equally to all existing shares as of the respective fiscal period.

Pursuant to Article 32 of our Articles of Association, no more than 2% of the amount remaining from the pre-tax earnings after the allocation of the first series of legal reserve fund, financial obligations, and first level dividend to shareholders withheld as per the Capital Markets Legislation, is allocated to Koç Holding Pension and Assistance Foundation. Additionally, without prejudice to the first level dividend established under the Capital Markets Legislation, 3% of the amount remaining after the deduction of first series of legal reserve fund, financial obligations and 5% of the paid-in capital from the pre-tax earnings, is allocated to holders of dividend-right certificates.

However the amount that will be paid to holders of dividend-right certificates cannot exceed 1/10 of the amount remaining from the net profit after the deduction the first series of legal reserve fund and first level dividend to shareholders established under the Capital Markets Legislation.



---

### What is Koc Holding's dividend history?

Please refer to the below link for the dividend history of Koc Holding:

[http://www.koc.com.tr/en-us/Investor\\_Relations/Stock\\_Information/DividendHistory/Pages/DividendHistory.aspx](http://www.koc.com.tr/en-us/Investor_Relations/Stock_Information/DividendHistory/Pages/DividendHistory.aspx)

---

### Where can I obtain Koc Holding financial information?

Quarterly financials, earnings presentations, webcasts, transcripts, annual reports and interactive charting tools for financial analysis are available under:

[http://www.koc.com.tr/en-us/Investor\\_Relations/FinancialStatementsStatistics/Financial\\_Statements/Pages/Financial\\_Statements.aspx](http://www.koc.com.tr/en-us/Investor_Relations/FinancialStatementsStatistics/Financial_Statements/Pages/Financial_Statements.aspx)

---

### Does Koc Holding have a credit rating?

Koc Holding currently does not have a credit rating.

---

### What is the composition of Koc Holding's Board of Directors?

Koc Holding's Board of Directors is composed of 14 members, 5 of which are foreign and 1 auditor. Koc Holding is the first Turkish company to appoint internationally respected non-Turkish professionals to its Board. The profiles of our Board of Directors can be found on our website under:

[http://www.koc.com.tr/en-us/Corporate/Board\\_of\\_Directors/Pages/BoardofDirectors.aspx](http://www.koc.com.tr/en-us/Corporate/Board_of_Directors/Pages/BoardofDirectors.aspx)

---

### What is Koc Holding's contribution to the underlying companies?

- Reliability, strong reputation and powerful brand management based on over 80 years of experience
- Embracing universal standards with Koc Group vision and objectives in the way we do business, ethical standards, environmental policies and work environment
- Guidance in defining long-term strategies and exchange of best practices throughout the Group
- Financing opportunities to facilitate companies to make investments that will strengthen their international competitiveness
- Comprehensive customer information and database facilitating strong CRM capabilities
- Benefits of economies of scale and a wide distribution network
- Performance management system focused on creating shareholder value

---

### What is Koc Holding's standing vis-à-vis corporate governance principles?

Financial markets have been gaining further depth in the recent years, parallel to the increasing globalization trends. In order to secure an effective position in the growing financial markets, it is important to reach a consistent and profitable growth performance despite the challenging competitive landscape, create shareholder value, focus on the internationally accepted compliance practices and implement a set of respective principles. It is of extreme importance to closely monitor and implement the international standards in order for the Turkish capital markets to become part of the global liquidity system and increase the funding opportunities from international financial markets.

As Koc Group, we believe that good corporate governance brings considerable benefits to companies, especially in terms of raising management quality, reducing risks and increasing reliability and esteem in the financial and capital markets.

At a time when corporate governance principles were not generally applied in Turkey, Koc Holding A.Ş. ("Koc Holding") was one of the first companies to voluntarily and proactively implement measures in order to reach the highest standards in corporate governance. Therefore, Koc Holding has made i) Transparency, ii) Fairness, iii) Responsibility and iv) Accountability its four inviolable principles.

Koc Holding's and Group companies' long-established and sound corporate identity facilitates good corporate governance practices. Honesty, respect, ethical behavior and compliance with all laws and regulations are central to the way the Koc Holding does business and an integral part of the Group's corporate culture.

Koc Holding's management structure, processes and policies have been established in compliance with the prevailing regulations, ensuring clarity and transparency in the areas of decision making and responsibility. Koc Holding is one of the first Turkish companies to appoint independent members to its Board of Directors (BoD). Koc Holding is also one of the few companies in Turkey to link the remuneration of its senior management to sustainable financial and operational performance.

Koc Holding, in accordance with laws and regulations, provides the requisite information to all investors and analysts simultaneously in a timely, reliable, consistent and orderly manner. In order to ensure continuous and effective communication, Koc Holding organizes investor meetings, conferences and panels and targets to reach a wider audience through media interviews and press bulletins. Our Investor Relations website, which garnered the best IR website award in 2010, provides comprehensive and simultaneous information to investors and stakeholders alike, both on current and historical basis.

As the first holding company established in Turkey and as a Group that is genuinely committed to institutionalization, Koc Holding has adopted the "Corporate Governance Principles" enacted by the Capital Markets Board (CMB) on July 4, 2003 with decision number 35/835, declared to public in July 2003 and revised in May 2005. These universal principles have been widely implemented by Koc Holding. We are continuing to work on the principles that have yet not been implemented and plan to apply them immediately following the completion of the administrative and technical infrastructure.

The detailed report can be found at the following link: [http://www.koc.com.tr/en-us/Investor\\_Relations/Corporate\\_Overview/CorporateGovernance/Pages/CorporateGovernance.aspx](http://www.koc.com.tr/en-us/Investor_Relations/Corporate_Overview/CorporateGovernance/Pages/CorporateGovernance.aspx)



### What is Koç Holding's standing in terms of industry surveys and recognition?

- Koç Holding is the only Turkish company in "Fortune Global 500" list (273rd place in the 2009 rankings).
- Koç Holding is Europe's 71st largest public company according to Handelsblatt (2009 rankings).
- Koç Group continues to create value for Turkey, generating combined revenues corresponding to 7% of Turkey's GDP in 2010.
- Koç Group companies generated 11.5% of Turkey's tax revenues in 2010.
- Koç Holding generated 10% of Turkey's total exports in 2010.
- Koç Holding remains Turkey's largest industrial conglomerate. According to Istanbul Chamber of Industry's "Turkey's Top 500 Industrial Enterprises 2009" listing, five of the top ten companies are Koç Group companies.
- Four of the top ten companies in Turkish Exporters' Assembly's "Top 1000 Exporters of Turkey" listing in 2009 are Koç Group companies.
- Koç Holding ranked among Turkey's three most transparent companies consecutively according to the annual "Turkish Transparency and Disclosure Survey" conducted between 2005-2008 by Sabancı University Corporate Governance Forum in collaboration with Standard and Poor's.
- Koç Holding was listed among the top 23 new global challengers on Boston Consulting Group's "2011 BCG Global Challengers: Companies on the Move: Rising Stars from Rapidly Developing Economies Are Reshaping Global Industries" report.
- Koç Holding was rated as "One of the international companies with the most competitive power in China" according to the China International Institute of Multinational Corporations (CIIMC).
- Koç Holding was the first Turkish company in the annual list of "World's Most Admired Companies" by the Hay Group and Fortune magazine.
- Koç Holding was listed among the world's top 1000 companies by R&D investment according to the "EU Industrial R&D Investment Scoreboard" for five consecutive years rising to 506th place in 2010. Of the three Turkish companies on the list, two are Koç Group companies.
- Koç Family was honored with one of the most prestigious international awards of its kind, the Andrew Carnegie Medal of Philanthropy for their philanthropic contributions to the society.
- Koç Holding "For My Country" project was awarded the "Environment Service Award - 2009" by Akdeniz University.
- The "Vocational Education: a Crucial Matter for the Nation" project received numerous national and international awards:
  - Koç Holding was garnered a silver award in 2009 Magellan Awards by League of American Communications Professionals LLC (LACP).
  - Koç Holding received an award in "The Best Volunteer Project" category of the "Awards from the Heart 2009" organization held by the Corporate Volunteer Association
  - Koç Holding was awarded as distinguished honoree in the Company/Organization Awards category of "Corporate Social Responsibility Program of the Year in Europe" section of the "International Business Awards" held by Stevie Awards.
  - Koç Holding received the "CSR Program of the Year in Europe" award in "2009 Sabre Awards" organized by the Holmes Group.

### What is Koç Holding's standing vis-à-vis corporate social responsibility?

Koç Holding's and the Group Companies' approach to social responsibility is based on the principle espoused by our founder Vehbi Koç: "I exist if my country exists". Within this context, Koç Group seeks to create value for the society, in which it has grown and developed, through projects that will contribute to the development of the society. Every year, thousands of scholarships are extended to students and numerous projects are initiated in the fields of culture, art, environment and health. In addition to projects in Turkey, Koç Group actively contributes to the promotion of Turkey in the international arena by sponsoring a cultural event each year. Koç Group's objective to further improve as a socially responsible corporation was confirmed with the participation in the Global Compact, an official and international framework.

Koç Group, which has been a pioneer in Turkey, has acted through the Vehbi Koç Foundation, to establish the first privately-owned museum, the first industrial museum and the first private student dormitory in Turkey, making it a leader in the area of corporate citizenship. Koç Holding and Koç Group companies contribute to the society with their projects in a common understanding and shared principles. Koç Group has assumed an important social mission, not just in terms of the large number of people it employs, the economic value it creates and the taxes it pays, but also through its philosophy of corporate citizenship. Koç Group's Corporate Citizenship Reports reflecting this approach are posted on the website of Koç Holding since 2006.