



**Koç Holding**  
**1H09 Earnings Presentation**

August 2009



**1H09**

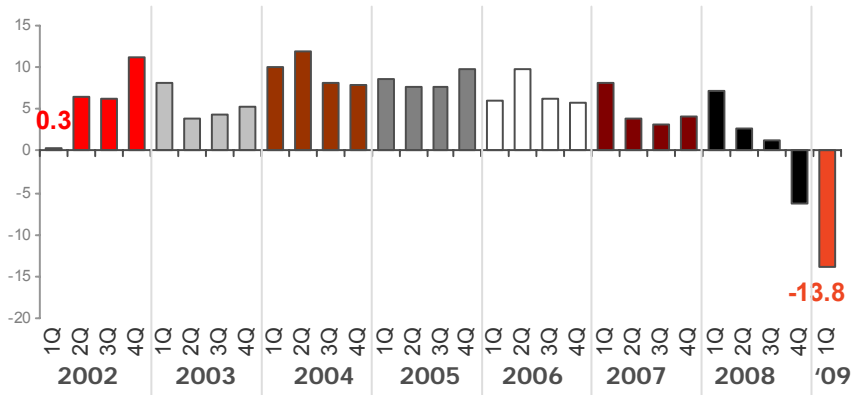
**OPERATING ENVIRONMENT & KOÇ GROUP**



# 2Q09: Mild Recovery in Economic Activity

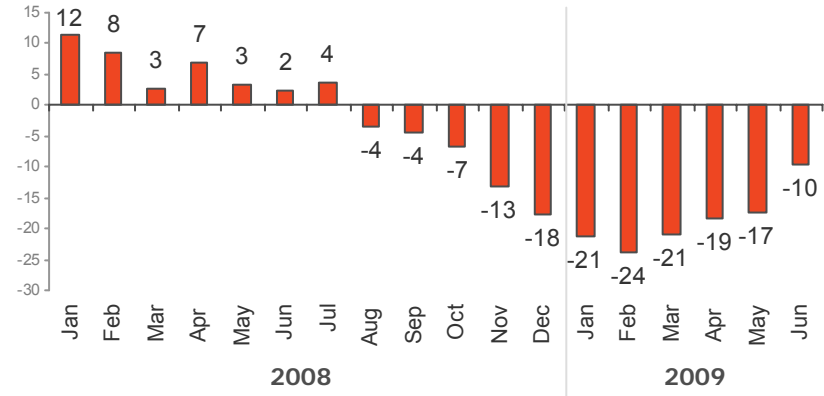
GDP Growth Rates

%,YoY



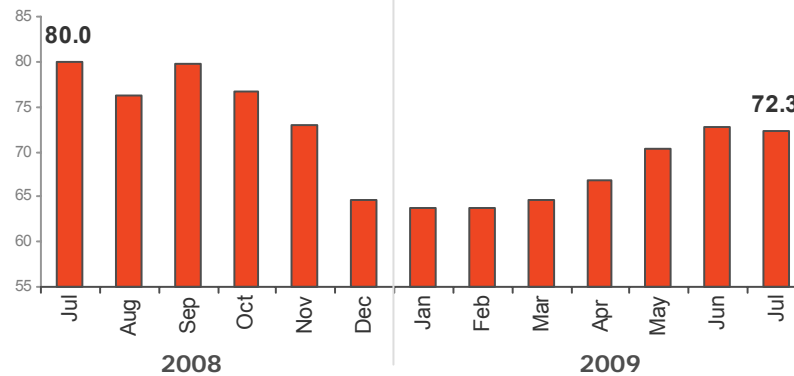
Industrial Production

%,YoY



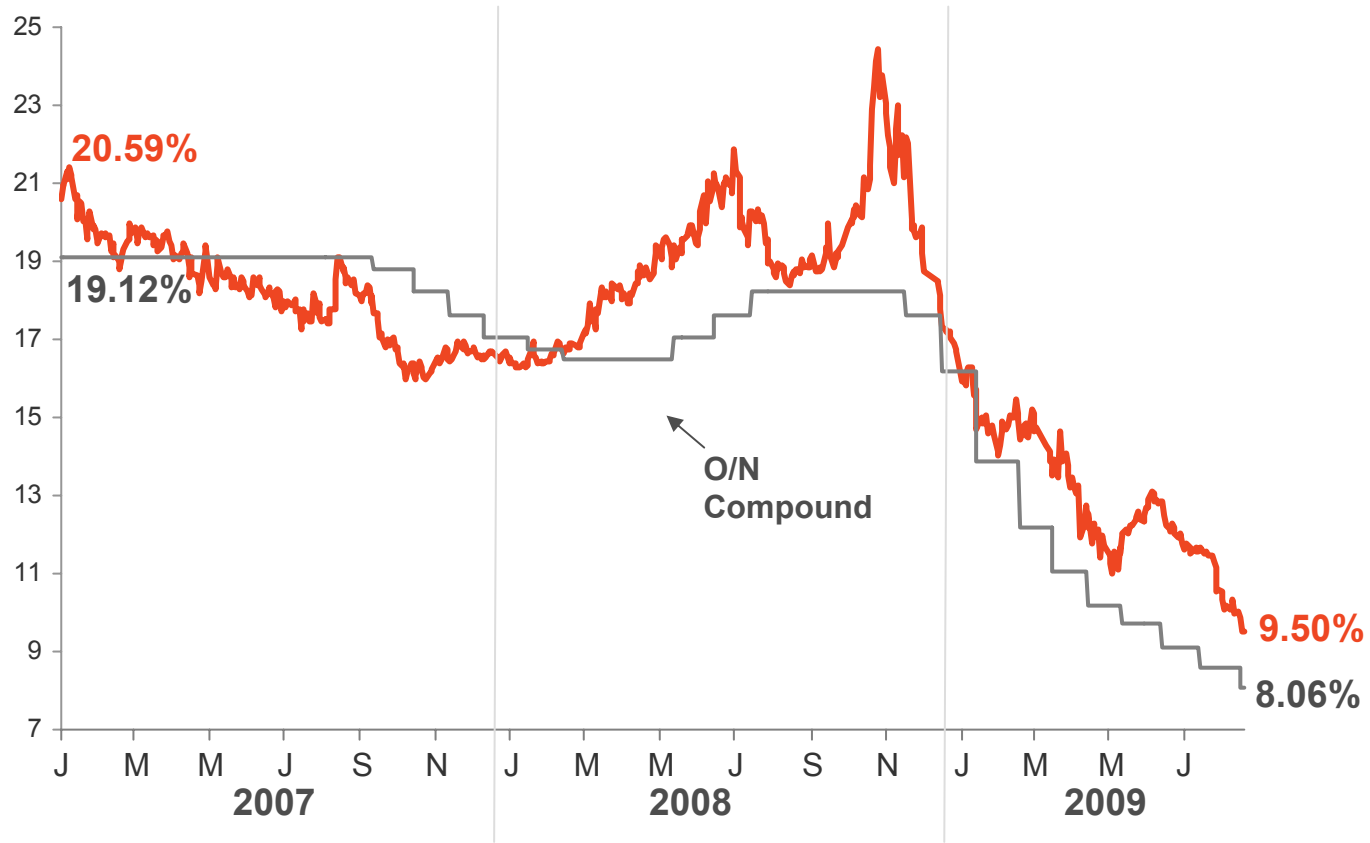
Capacity Utilization Ratio

%





## Continued Loosening in Monetary Policy

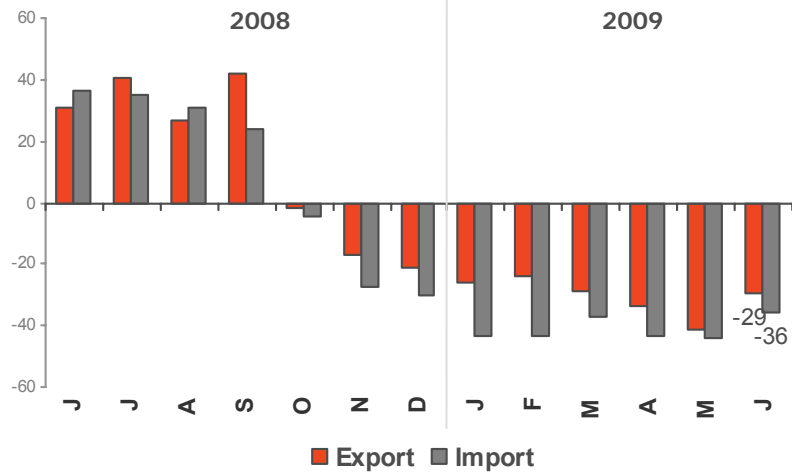




## Contracting Export Markets, Improving Imbalances

### Exports & Imports

%,YoY



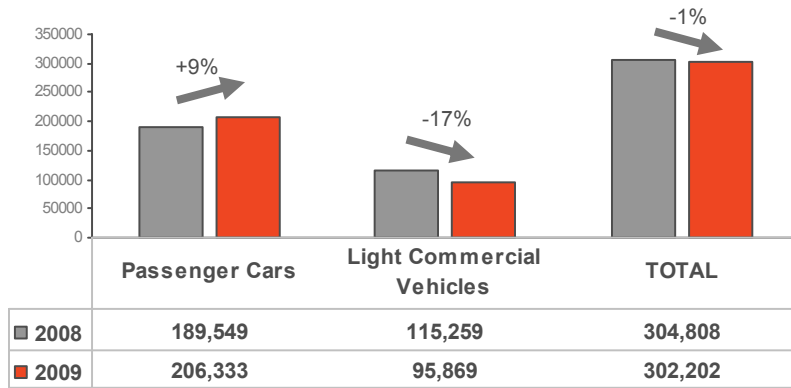
Foreign Trade	Jan - Jun		12 Month	
	US\$ bn	YoY	US\$ bn	YoY
Exports	47.7	-31%	111.0	-12%
Imports	62.3	-41%	158.4	-20%
Trade Balance	-14.6	-61%	-47.4	-34%
Current Account Deficit	-6.7	-75.7	-20.3	-56.2



# Automotive

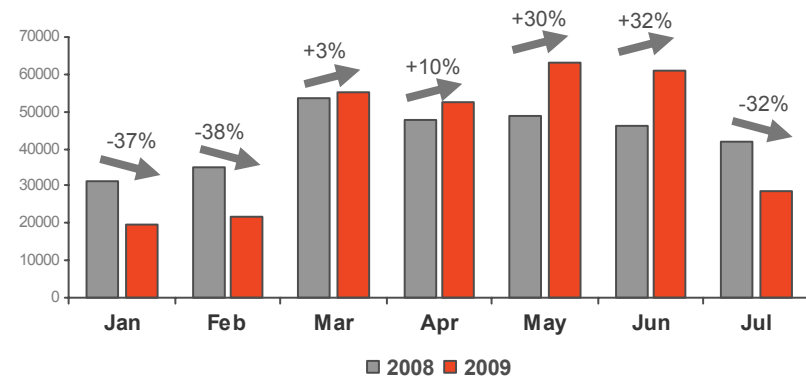
## Sales Units, Market

January-July



## Sales Development, Market

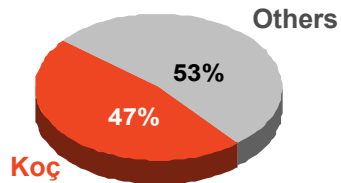
Units, Monthly



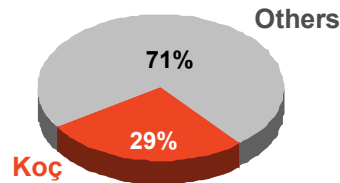
## Koç Group Share

### Leader in Turkey

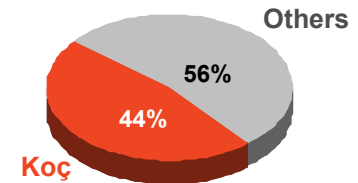
Turkey's Motor Vehicle Production



Turkey's Domestic Motor Vehicle Sales



Turkey's Motor Vehicle Exports

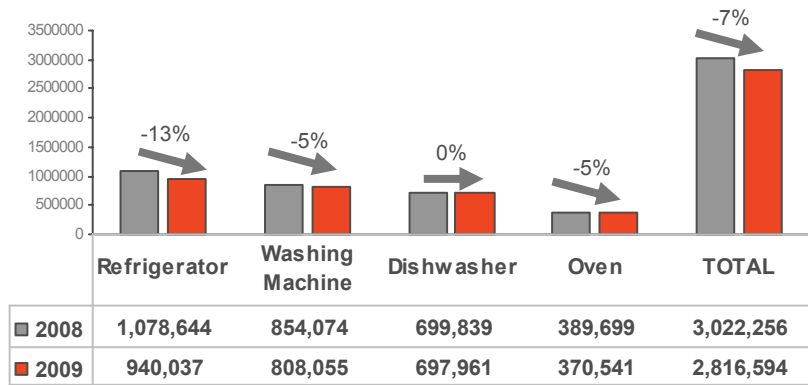




# Consumer Durables

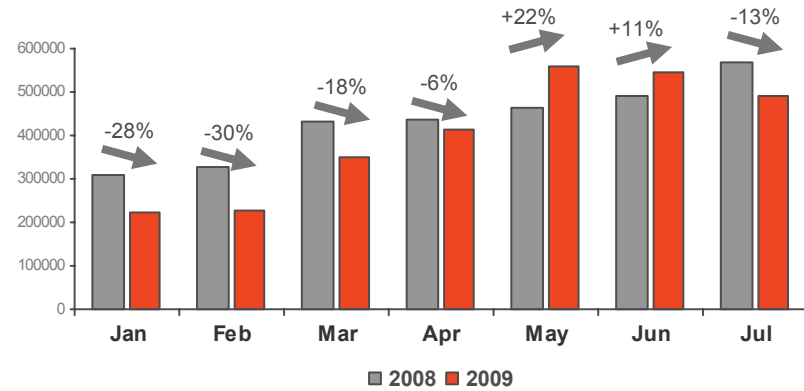
## White Goods Sales Units, Market

January-July



## White Goods Sales Development, Market

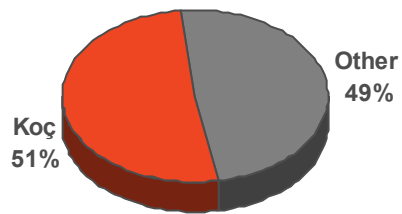
Units, Monthly



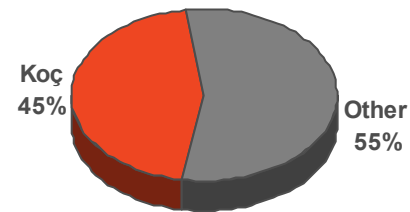
## Koç Group Market Share

%

### White Goods



### TVs



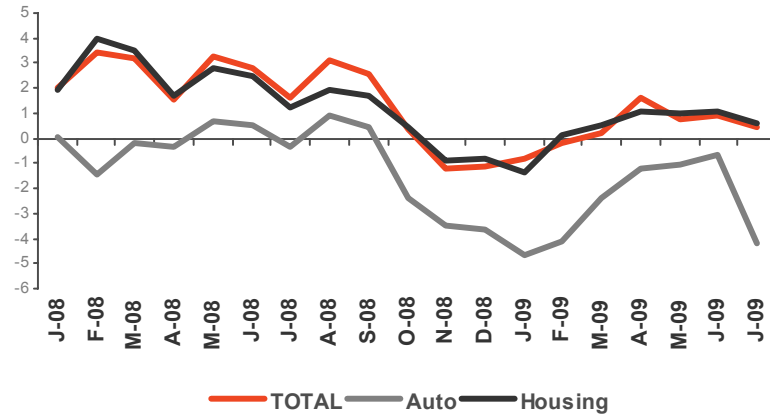


# Finance

1H09 Loan Growth	YTD		2Q09 vs 1Q09	
	YKB	Sector	YKB	Sector
<b>Total Loans</b>	<b>-2%</b>	<b>0%</b>	<b>-3%</b>	<b>1%</b>
TL Loans	-4%	3%	1%	5%
FC Loans (\$)	1%	-5%	1%	0%
<b>Consumer Loans</b>	<b>4%</b>	<b>3%</b>	<b>4%</b>	<b>3%</b>
Housing Loans	10%	-3%	6%	3%
Auto Loans	-5%	-13%	2%	-3%
General Purpose	-1%	5%	3%	4%
<b>Credit Cards</b>	<b>-4%</b>	<b>2%</b>	<b>4%</b>	<b>7%</b>

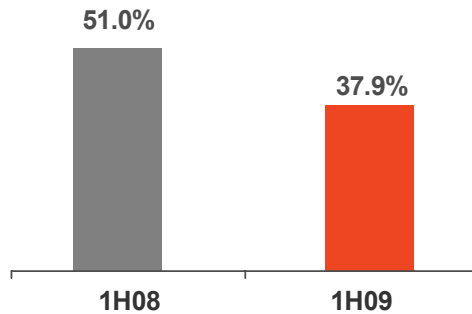
## Consumer Loans Change

%, Monthly

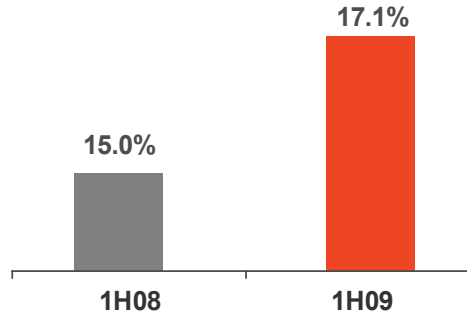


## YKB Main Indicators

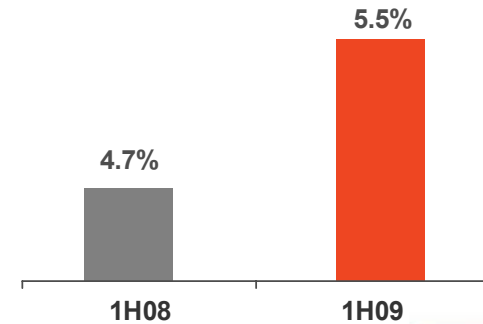
### Cost / Income



### Capital Adequacy Ratio (Bank Only)



### Net Interest Margin





# Energy

Gross Margin (\$/bbl)	2007				2008				2009	
	1Q	1H	9M	FY	1Q	1H	9M	FY	1Q	1H
Med Complex	5.7	6.5	5.6	5.3	3.7	5.0	5.6	5.5	3.4	2.4
<b>Tüpraş</b>	<b>5.0</b>	<b>7.2</b>	<b>7.1</b>	<b>7.2</b>	<b>7.8</b>	<b>10.5</b>	<b>11.3</b>	<b>10.9</b>	<b>9.3</b>	<b>9.3</b>
Difference	-0.7	0.8	1.6	1.9	4.1	5.5	5.7	5.4	5.9	6.9

## Brent Petroleum

US\$/barrel





# Koç Holding Has Continued to Trade at the Lowest Discount to NAV Among Peer Group



Discount / Premium to NAV (Annual Average)	2004	2005	2006	2007	2008
Koç Holding	+ 10%	+ 5%	+ 1%	- 15%	- 22%
Peer Group* Average	- 29%	- 29%	- 25%	- 31%	- 42%

Discount / Premium to NAV	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09
Koç Holding	- 17%	- 19%	- 18%	- 13%	- 11%	- 19%	- 21%	- 14%
Peer Group* Average	- 55%	- 55%	- 56%	- 50%	- 45%	- 47%	- 39%	- 38%

\* Peer Group: Doğan Holding, Sabancı Holding, Yazıcılar Holding



# 1H09 FINANCIAL RESULTS



# Robust Financial and Operational Performance Despite the Ongoing Macro Challenges

## Revenues



- TL19,942mn (US\$12,404mn)
- 29% YoY decline in TL terms and 46% in US\$ terms

## Operating Profit



- TL1,757mn (US\$1,093mn)
- 49% YoY decline in TL terms and 61% in US\$ terms  
1H08 figure includes the one-off gains from the sale of Migros and Demrad
- When normalized for the one-off items in 1H09, the YoY decline in operating profit is 23%

## EBITDA



- TL2,193mn (US\$1,364mn)
- 43% (18% on a normalized basis) decline in TL terms and 56% in US\$ terms

## Net Income



- TL 667mn (US\$415mn)
- 61% YoY decline in TL terms and 70% in US\$ terms

## Margins



- EBITDA margin came in at 11%, up from 9.5% (normalized) a year ago
- Operating profit margin was 8.8%, up from 8.1% (normalized) a year ago



## Main Financial Indicators

	€ Mn*	US\$ Mn*	TL Mn	TL Mn	Change	Change
	30.Jun.09	30.Jun.09	30.Jun.09	30.Jun.08	%, TL	%, US\$
Revenues	9,315	12,404	19,942	28,213	▼ -29	▼ -46
Gross Profit	1,970	2,624	4,218	4,504	▼ -6	▼ -29
EBITDA	1,025	1,364	2,193	3,834	▼ -43	▼ -56
Operating Profit	821	1,093	1,757	3,433	▼ -49	▼ -61
FX Gain/(Loss)	-30	-40	-64	-282	NM	NM
Financial Income/(Loss) excl. FX Gain/(Loss)	-103	-138	-221	-306	NM	NM
Income Before Tax (ongoing operations)	687	915	1,472	2,844	▼ -48	▼ -61
Taxes (net)	112	149	240	482	▼ -50	▼ -62
Net income from ongoing operations	575	766	1,232	2,363	▼ -48	▼ -60
Net income from discontinued operations				83	NM	NM
Net Income before minority interest	575	766	1,232	2,446	▼ -50	▼ -62
Minority Interest	264	351	565	734	▼ -23	▼ -41
Net Income	312	415	667	1,712	▼ -61	▼ -70
Total Assets	30,429	42,696	65,329	**64,890	▲ 1	▼ -0.5
Shareholder's Equity	4,852	6,808	10,417	** 9,749	▲ 7	▲ 6

\* EUR and USD amounts presented above are translated from TL for convenience purposes only and do not form part of these consolidated financial statements. Balance sheet items have been converted at the official TL exchange rate announced by the Central Bank of Turkey at 30 June 2009 (2.1469 TL=1 EUR and 1.5301 TL =1 USD); income statement items have been converted using the average exchange rate (2.1408 TL=1 EUR and 1.6077 TL=1 USD).

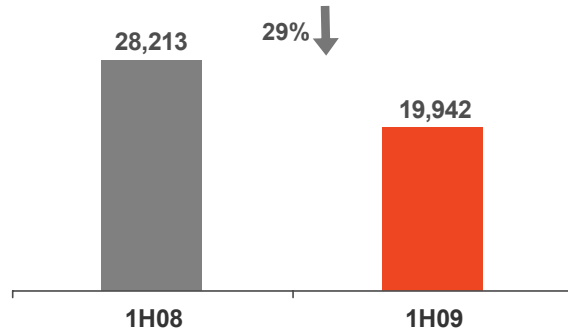
\*\* As of December 31, 2008



# Revenues Stood at TL 19.9 billion with the Largest Contribution Coming From the Energy Segment

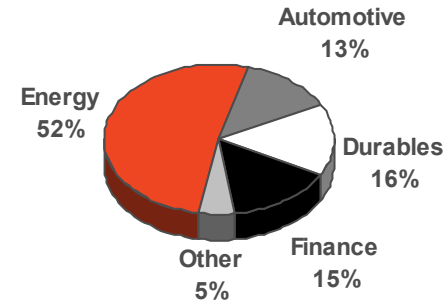
Total Revenues

TLmn



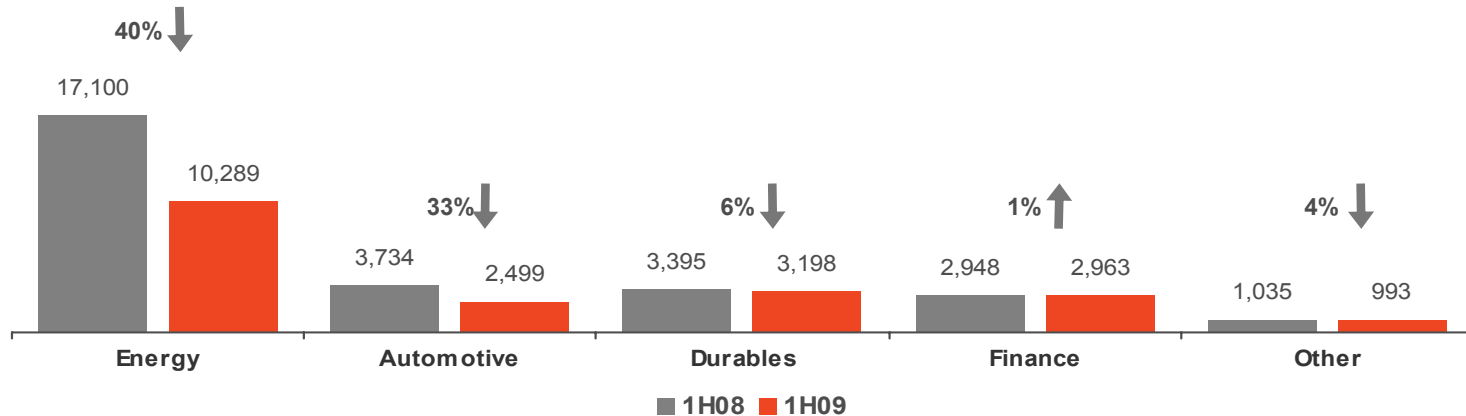
Share of Segment Revenues

%



Segment Contribution to Total Revenues

TLmn



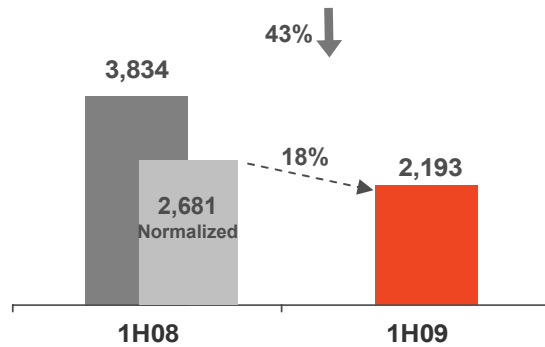


## Energy and Finance had the Highest Contribution to EBITDA

EBITDA TL mn	Energy	Automotive	Consumer Durables	Finance	Other	Consolidated Total
1H09	836	269	345	639	105	2,193

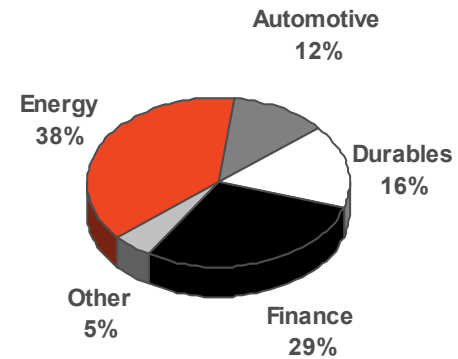
### Total EBITDA

TLmn



### Segmental EBITDA Breakdown

%

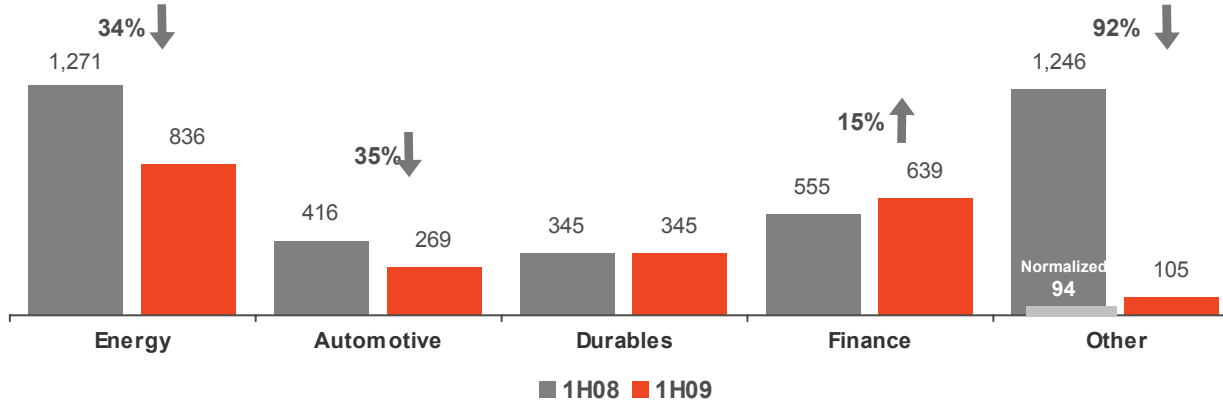




# Improved Margins in Energy, Consumer Durables and Finance Segments

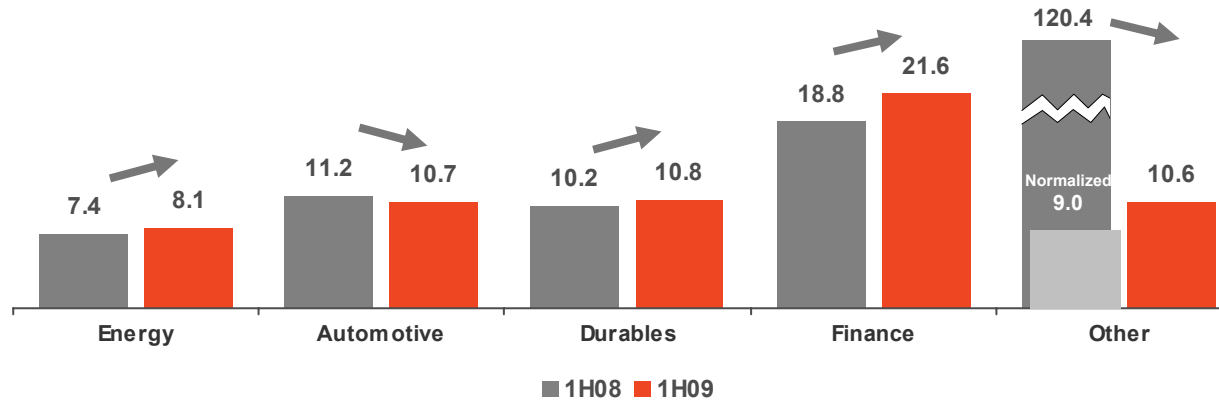
### Segment Contribution to EBITDA

TLmn



### EBITDA Margin by Segment

%



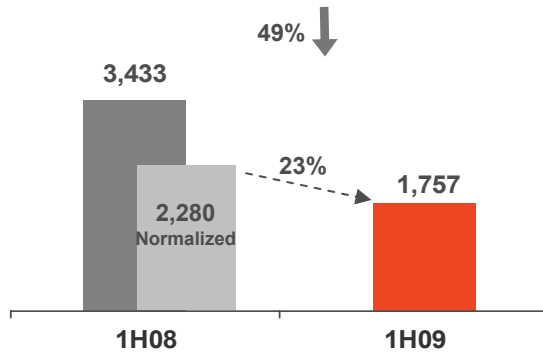


## Best Operating Profit Performance was Registered in the Finance Sector

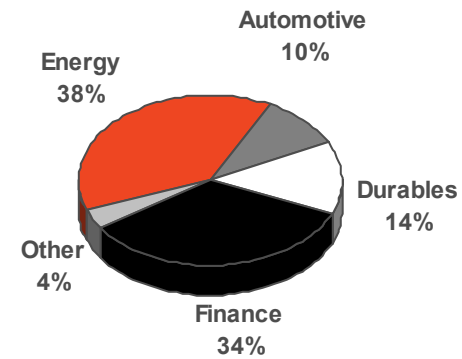
Operating Profit TL mn	Energy	Automotive	Consumer Durables	Finance	Other	Consolidated Total
1H09	664	177	251	594	71	1,757

### Total Operating Profit

TLmn



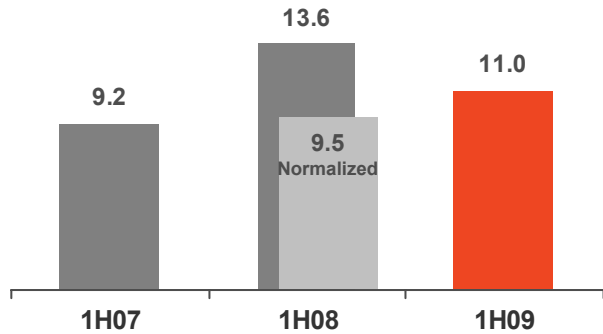
### Segmental Operating Profit Breakdown %



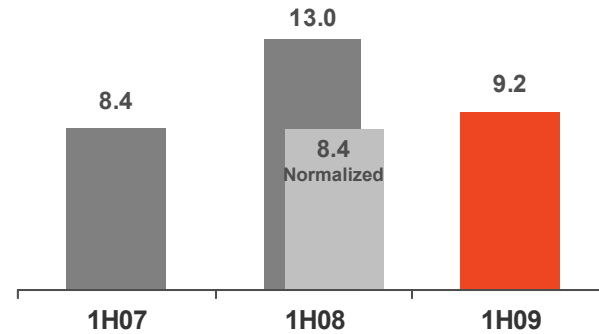


# Strong Margins Maintained Despite the Difficult Operating Environment

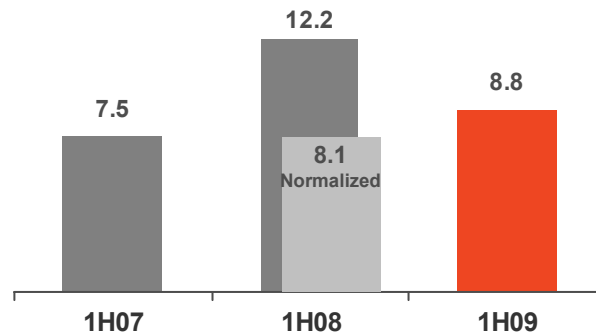
EBITDA Margin %



EBITDA Margin excl. Finance %



Operating Profit Margin %





# Strong Liquidity and Balance Sheet Management

## Koç Holding Stand-Alone

30.06.2009



## 2010-2013 Redemption Schedule

US\$ 300 mn – to be paid in equal annual installments of US\$ 75 mn each January

## Consolidated Net Debt Excl. Finance





## Strong Resilience Against FX Volatility

### Koç Holding Stand-Alone

FX Position

YE08  
US\$ + **334**mn

1Q09  
US\$ + **290**mn

1H09  
US\$ + **290**mn

### Koç Holding Consolidated

FX Position

3Q08  
US\$ - **4.2**bn

YE08  
US\$ - **2.2**bn

1Q09  
US\$ - **2.3**bn\*

1H09  
US\$ - **2.3**bn\*

FX Position Weighted by Effective Ownership

1Q09  
US\$ - **1.4**bn

1H09  
US\$ - **1.3**bn

\* The natural hedging mechanisms due to FX linked pricing of Tüpraş, Opet & Aygaz inventory and take-or-pay agreements of Tofaş account for ~US\$ 1.6bn.



## 1H09 Business Focus: Risk Management & Efficiency Measures

- Strict cost cutting measures and efficiency gains
- Stringent risk management measures
- Strong balance sheet and liquidity management
- Further streamlining of management processes
- Optimum capacity utilization rates
- Effective working capital management
- Diversification of export markets to minimize impact of contraction
- Monitoring of potential opportunities and risks



# Q & A



## Disclaimer

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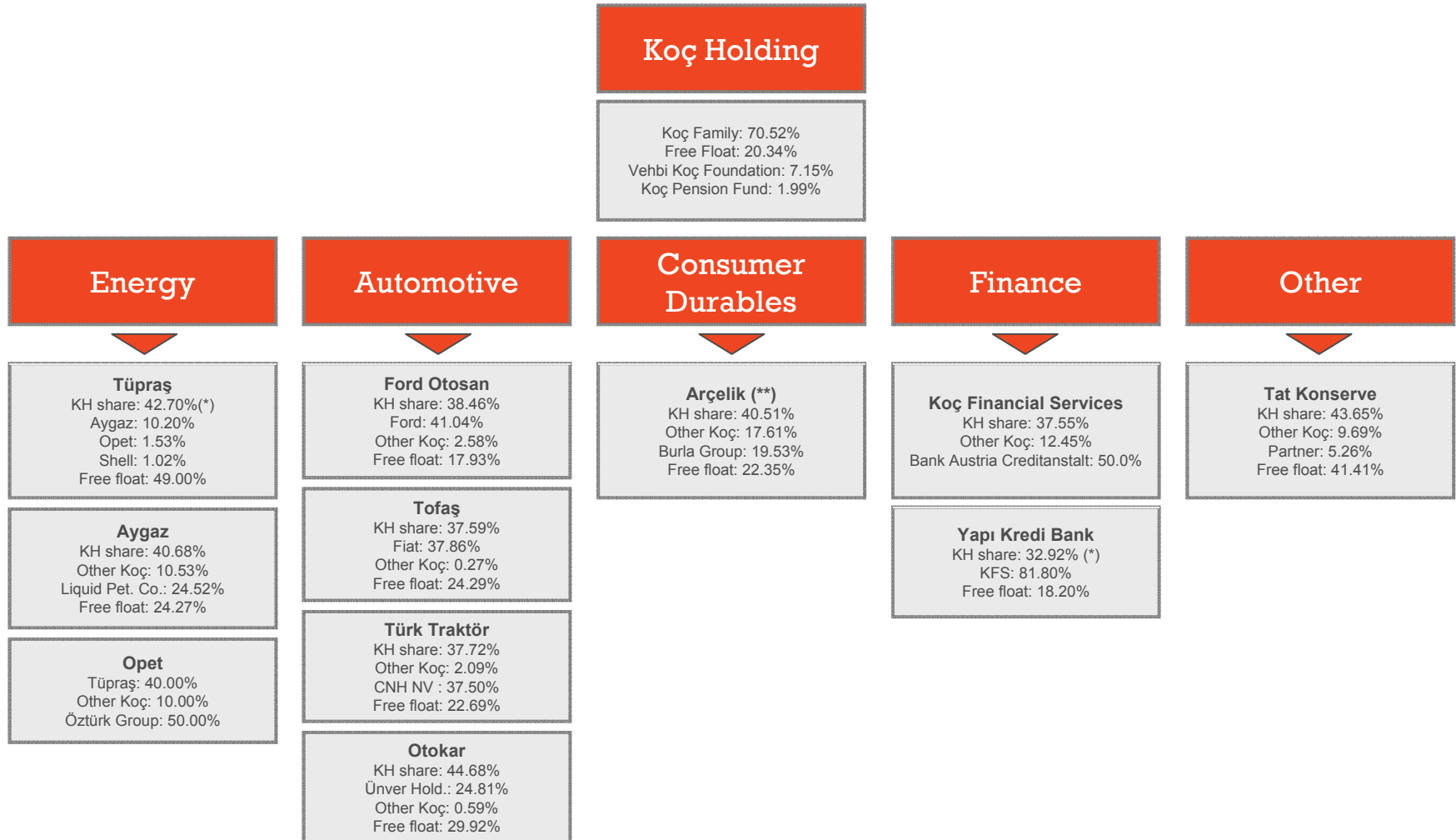
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# Shareholder Structures as of June 2009



(\*) Effective stake indirectly through subsidiaries

(\*\*) Following the rights issue and Grundig Elektronik merger



## For Further Questions, Please Contact :

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