



Koç Holding 1H17 Investor E-Bulletin

To Our Valued Shareholders,

We are proud to announce that we have recorded a strong performance as of 1H17. Our operations were supported by uninterrupted investments, focus on innovation and ongoing robust export performance while we maintained our prudent risk approach. Accordingly, our consolidated net income reached TL 2.5 billion with 77% y/y growth. Our net cash position as of 1H17 stands at US\$ 586 million

Main highlights from our companies are as follows:

- Tüpraş operated at record capacity and increased its sales volume further
- Exports of our auto companies peaked supported by investments made over the last couple of years
- Arçelik recorded strong growth in both domestic and international revenues also supported by the consolidation of its Pakistan investment. Additionally, Arçelik announced a new exciting investment plan in India
- Yapı Kredi continued to improve its profitability while maintaining its solid capital and liquidity position

1H17 FINANCIAL PERFORMANCE

TL million	Energy	Automotive	Consumer Durables	Finance	Other	Total
Combined Revenues ¹	44,766	25,937	10,900	14,096	5,057	100,757
y/y	54%	30%	29%	18%	10%	↑ 36%
Combined Operating Profit ²	3,266	1,745	749	2,249	37	8,046
y/y	190%	27%	10%	4%	nm	↑ 53%
Combined Net Income	2,610	1,424	490	1,846	118	6,487
y/y	357%	17%	24%	4%	107%	↑ 62%
Consolidated Net Income ³	1,030	571	204	664	72	2,542
y/y	415%	18%	27%	13%	nm	↑ 77%

(1) Before revenue eliminations

(2) Excluding FX gains/losses and credit finance income/charges on trade receivables and payables (Combined operating profit reported in 1H17 financial report is TL 8,101 mn)

(3) Koç Holding's consolidated net income after the share of JV partners and non-controlling interests

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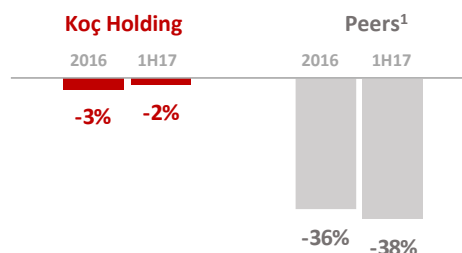


[Webcast Link](#)



[Unlisted Financials](#)

NAV PREMIUM / DISCOUNT (yearly average)



(1) Peers: Sabancı Holding and Doğan Holding

OPERATING ENVIRONMENT

- Resilient backdrop thanks to supportive global markets and the governments accommodative measures
- Leading indicators including industrial production pointing to ongoing solid economic activity after 5.0% GDP growth in 1Q17
- Unemployment improving since Jan'17 but still above May'16
- Inflation continuing to improve from peak level in Apr'17 supported by lower food prices despite reversal in core-CPI trend
- Sound export performance maintained with 8% y/y growth

	2016	Latest 2017	
GDP Growth	2.9%	5.0%	1Q'17
Inflation (CPI, y/y)	8.5%	9.8%	Jul'17
Unemployment	10.9%	10.2%	May'17
Industrial Production (y/y)	1.8%	3.4%	Jun'17
US\$ / TL	3.52	3.53	Aug'17
Exports - US\$ bln (6M data)	71.6	77.5	Jun'17

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