

8 November 2018

KOÇ HOLDING POSTS TL 103.4 BILLION CONSOLIDATED TURNOVER IN THE FIRST NINE MONTHS OF THE YEAR AND TL 3.8 BILLION CONSOLIDATED NET PROFITS FOR THE PARENT COMPANY IN THE SAME PERIOD

KOÇ HOLDING CEO LEVENT ÇAKIROĞLU:

“IN THE FIRST NINE MONTHS OF THE YEAR, WE ACHIEVED SUPERIOR FINANCIAL RESULTS, THANKS TO OUR DISCIPLINED MANAGEMENT APPROACH, BALANCED PORTFOLIO AND STRONG BALANCE SHEET IN THE FACE OF DIRE MARKET CONDITIONS. WE CONTINUED TO BRING FOREIGN CURRENCY INTO OUR COUNTRY THROUGH EXPORTS. OUR COMBINED INVESTMENTS IN THE PERIOD SURGED BY 37 PERCENT TO 6.4 BILLION TURKISH LIRA YEAR-ON-YEAR. THE 35-BILLION TURKISH LIRA OF INVESTMENTS OVER THE PAST FIVE YEARS CATEGORICALLY DEMONSTRATES THE CONFIDENCE WE HAVE IN OUR COUNTRY. AS TURKEY'S LARGEST EMPLOYER, WE ARE PROUD TO BE IN THE TOP-100 OF THE WORLD'S BEST EMPLOYERS LIST BY FORBES.”

In the first nine months of 2018, Koç Holding posted total consolidated turnover of 103.4 billion Turkish lira and net consolidated profits of 3.8 billion Turkish lira for the parent company in the same period. Koç Holding CEO Levent Çakiroğlu gave an assessment of the financial results: “We remain as the driving force of our economy through stellar financial results. Regardless of the circumstances, we pursue investments that add value to the country's economy and make us more competitive. Our combined investments in the first nine months of the year surged by 37 percent to 6.4 billion Turkish lira year-on-year. The 35-billion Turkish lira of investments over the past five years categorically demonstrates the confidence we have in our country. We achieved superior financial results thanks to our disciplined management approach, balanced portfolio and strong balance sheet in the face of dire market conditions. Our companies persevered with outstanding results in international markets, continuing to bring foreign currency into the country.”

Levent Çakiroğlu: “We represent our country successfully in international markets and make significant contributions to the economy with our export performance”

Levent Çakiroğlu stressed how crucial it was to contribute to the country's economy in the face of dire market conditions and said that Koç Group Companies set a fine example with outstanding export performance. Çakiroğlu said, "Turkey's export champion **Ford Otosan** earned 81 percent of its total revenues from overseas markets in the first nine months of the year. Ford Trucks, positioned as a vital initiative for the future of Ford Otosan, has accomplished a great international feat with its new tow-truck F-Max, making our country proud. F-Max took the 'International Truck of the Year' award at the IAA Commercial Vehicle Show in Hannover. We are determined to accelerate growth of Ford Trucks in international markets with our new tow-truck. Similarly, **Tofaş** earned 79 percent of its revenues from overseas markets in the first nine months of the year on its 50th anniversary. In the same period, Koç Group accounted for 44 percent of

Turkey's automotive exports". He also emphasized the international success by **Arçelik** in the white goods market. "In the first nine months of the year, Arçelik increased its market share in many countries, particularly in the UK, Romania and Russia. Arçelik is the white goods market leader in Europe with its Beko brand. Opened not long ago, the Arçelik Çerkezköy plant is one of the most important consumer electronics investments in our country in recent years. The televisions of the future will be manufactured at our smart plant that came to life with a 500-million Turkish lira investment. Turkey's first domestic commercial air conditioning line we inaugurated at the Arçelik LG plant in the Gebze Organized Industrial Zone is slated to become a crucial milestone in domestic production in the commercial air conditioning sector. With this facility, we plan to increase the share of domestic production of commercial air conditioners to 25 percent within three years".

Levent Çakıroğlu: "We solidified the confidence in our country and the bank in international markets".

He provided an assessment of banking developments as well: "We bolstered the capital of **Yapı Kredi** by 4.1 billion Turkish lira to give more support to our country's economy and strengthen the balance sheet even more. This is the largest capital increase through rights issue in Turkey in the past decade. Moreover, our Bank has recently renewed its syndication loan successfully. A \$1.1 billion syndication loan was provided with participation from 27 organizations in 13 countries and with this development the confidence in our country and the bank in international markets was solidified".

"**Tüpraş**, the driving force of the energy industry, was in full capacity production in the third quarter of the year," explained Levent Çakıroğlu and he further stated, "**Aygaz** sold 852,000 tons of LPG domestically, preserving its market leadership. Meanwhile, **Opet** maintained successful operations by raising the number of gas stations to 1,605 with the Opet and Sunpet brands".