

FORD OTOSAN

1H12 Financial Results Analyst Meeting

1 August 2012



Agenda

- Recent Developments – Haydar Yenigün
- Ford Global & Market Update – Grant Belanger
- 1H12 Financial Results – Oğuz Toprakoğlu
- Q & A

Recent Developments

Haydar Yenigün
General Manager

Since we last met...

Ford Otosan regained **market leadership** with 13.9% share

Transit Connect celebrated its **10th birthday**

1.0-liter EcoBoost won 2012 **International Engine of the Year Award**

1.0-liter EcoBoost and **New Ranger** were introduced to the market

€100 million EIB loan was obtained for the Transit project

Kocaeli Plant came in **1st** among 20 plants for **environment friendly production** in Rio+20 - UN Conference on Sustainable Development

Tourneo Custom & Transit Custom production started on 23 July

Ford Otosan came in **2nd** in ISO 500 and **8th** in Fortune 500 rankings

1H2012 Highlights

50k

Domestic
sales volume

54%

of Turkey's
commercial
vehicle
production

86%

Capacity
utilization rate

Increase in
exports to
North America

61%

Connect
exports
exceeded

**1,650,000
units**

61%

of Turkey's
commercial
vehicle
exports

Continuous improvement in performance

The only automotive company in
Fortune 500 Turkey **Top 10**

2011: 8th

2010: 12th

2009: 13th

Export leader in
Turkish Automotive

Sustainable
Growth

Profitable
Investments

Diversified
export
markets

Great
products
with
advanced
technologies

Turkey's **2nd** largest industrial
enterprise in ISO 500

2011: 2nd

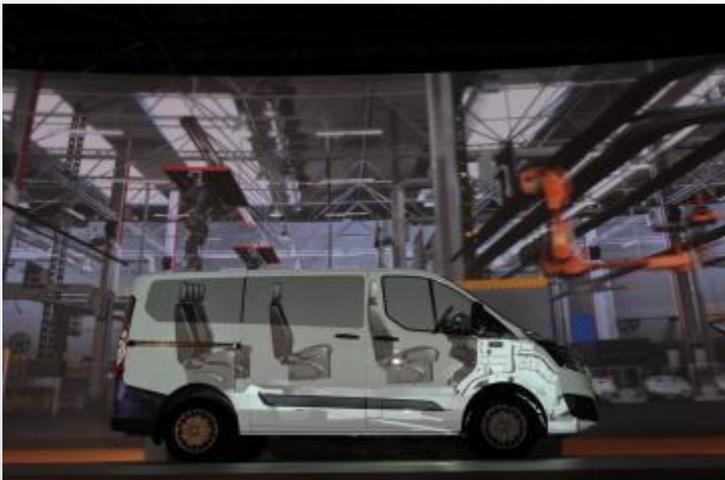
2010: 3rd

2009: 6th

Strong R&D competence

- **Largest** R&D center in Turkish automotive
- Ranks among the **three largest** Ford R&D centers in Europe
- **1024** R&D engineers (2011 end)

Target
1300
engineers



- **Highest level** of R&D spending in Turkish automotive
- **USD50 million** engineering export revenues in 2011
- Among the **world's top 1000 companies by R&D investment** according to the 'EU Research & Development Investment Scoreboard'

Investments well underway

USD1 billion investment plan progressing on track

€100 million EIB loan obtained for funding:



Production started in **July**

Market introduction scheduled for **October**

Increasing capacity



Transit &
Transit
Connect

320,000



Cargo
Truck

10,000

Current capacity

330,000 units



New
LCV

110,000

New
Transit
Family

290,000



Cargo
Truck

15,000

2014 capacity

415,000 units

New products will penetrate more export markets

Exports to
S. Africa
and
Mexico

Exports to
90
countries

15,700
units of the
new models
to be
exported in
2012



Transit economy – 45 years in building

Longest running model in FoE's product range

Over 6 million units produced since its launch in 1965



Flagship model for the dealer network

Strong value added to the economy ~ 100 suppliers

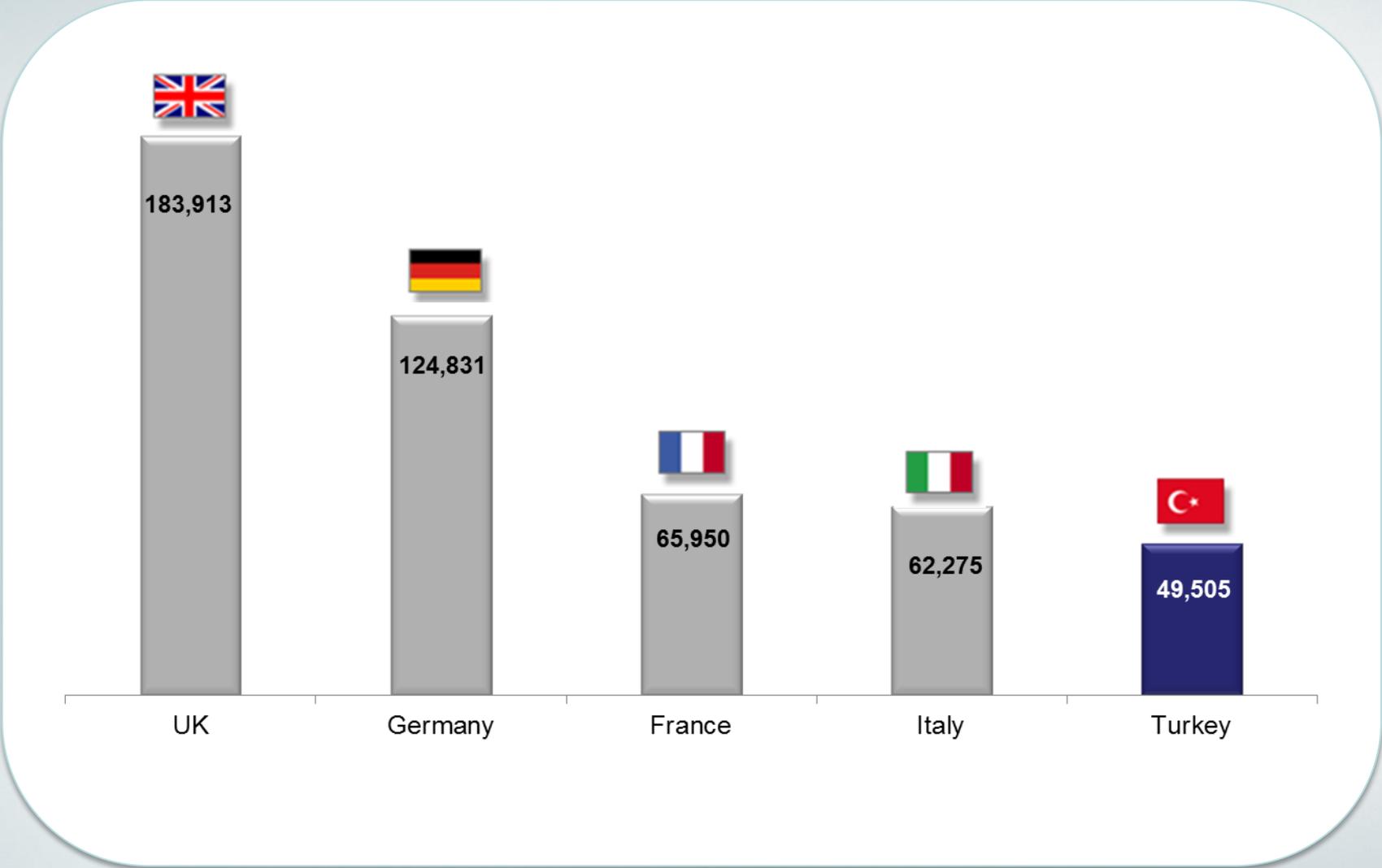
New family members



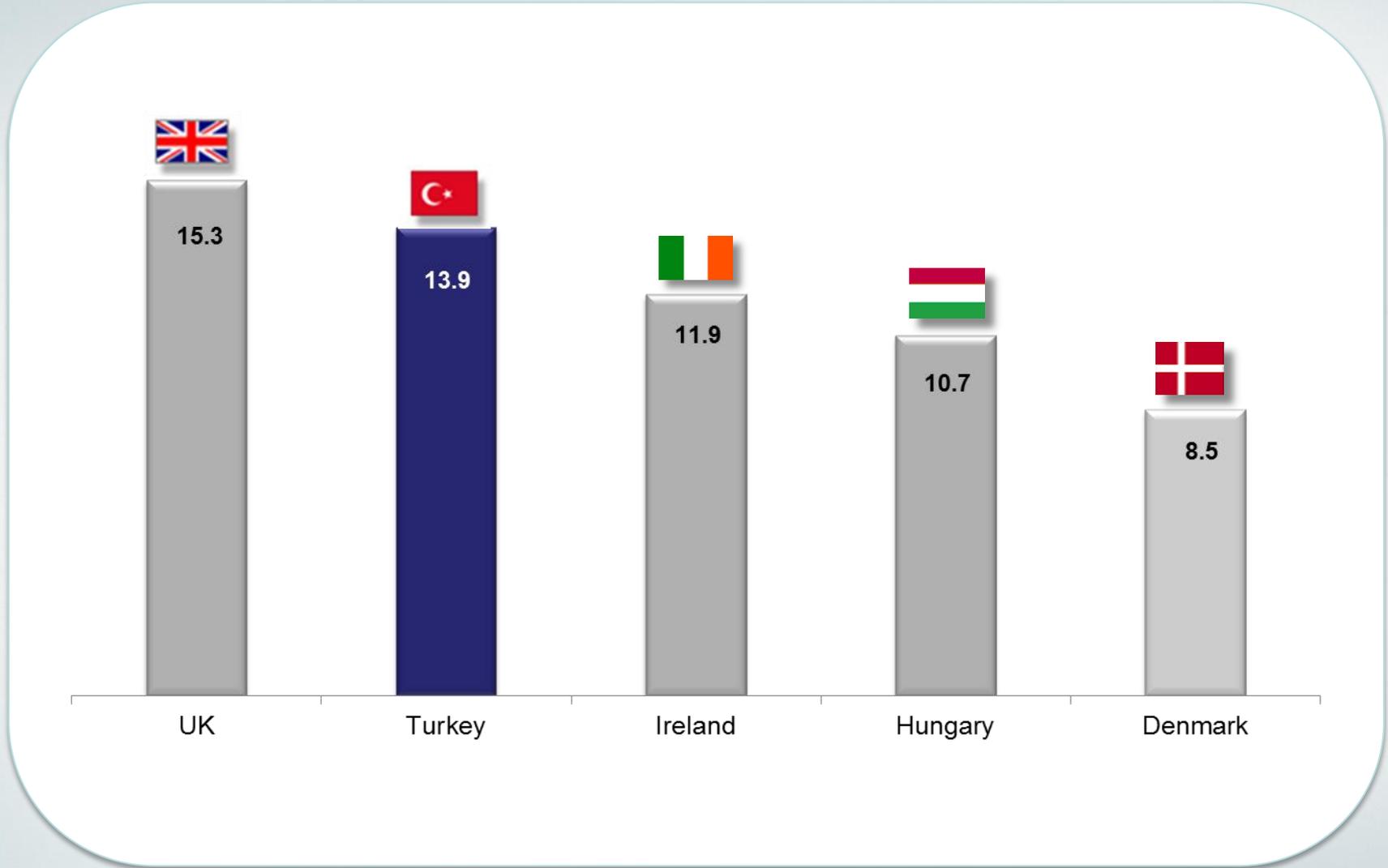
Ford Motor Company & Market Update

Grant Belanger
Deputy General Manager

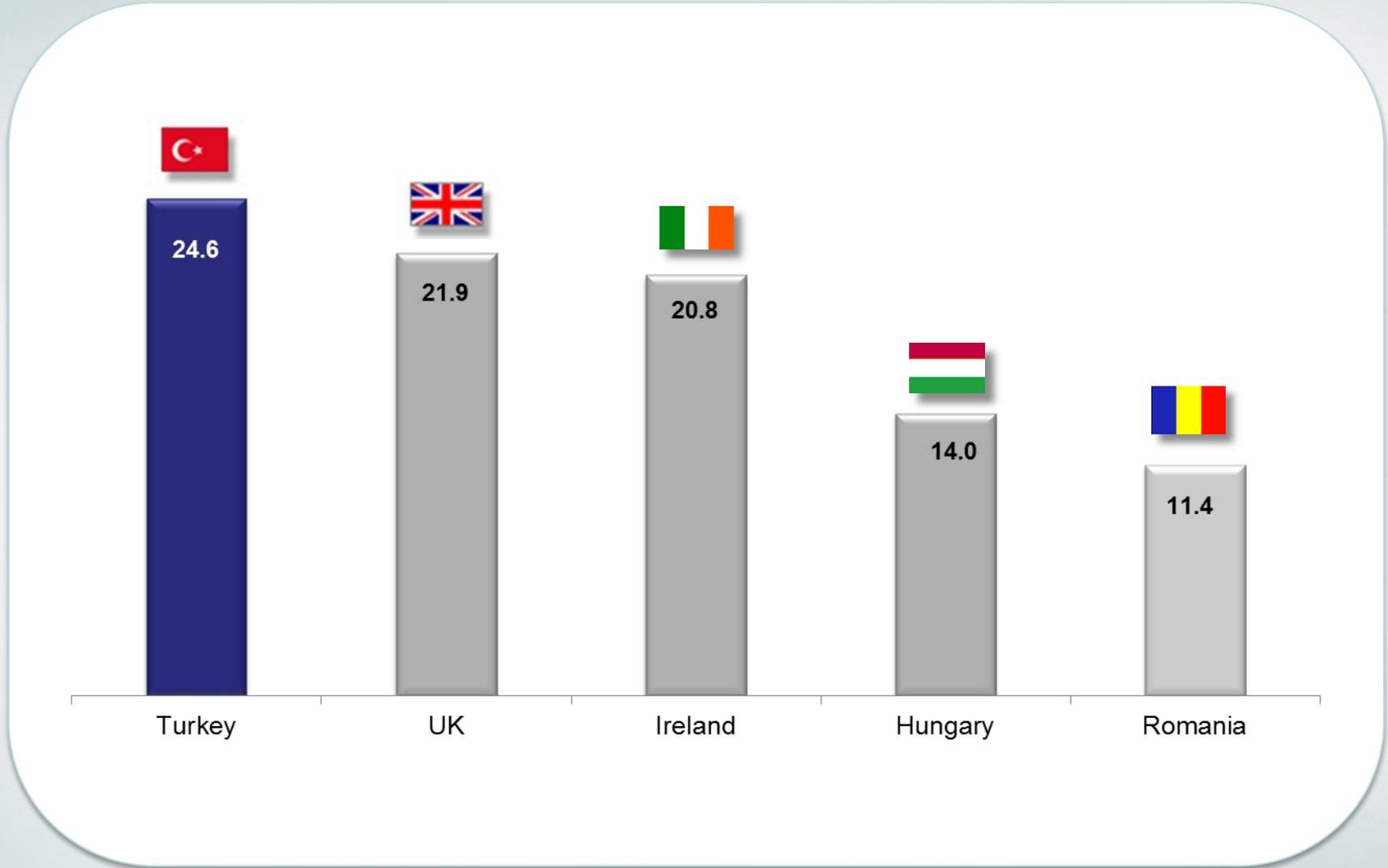
1H12 sales in European markets



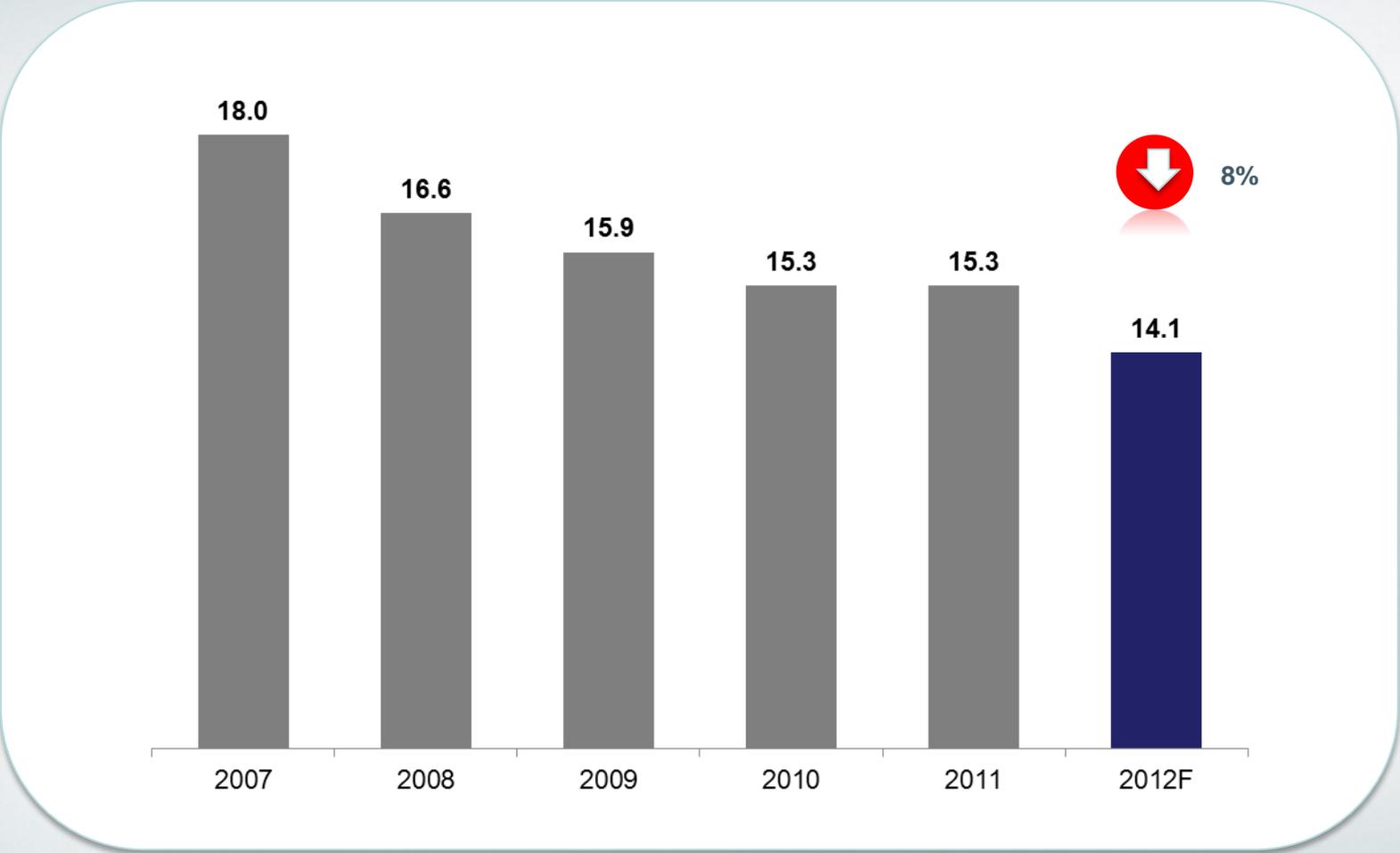
Ford market shares in Europe (1H12)



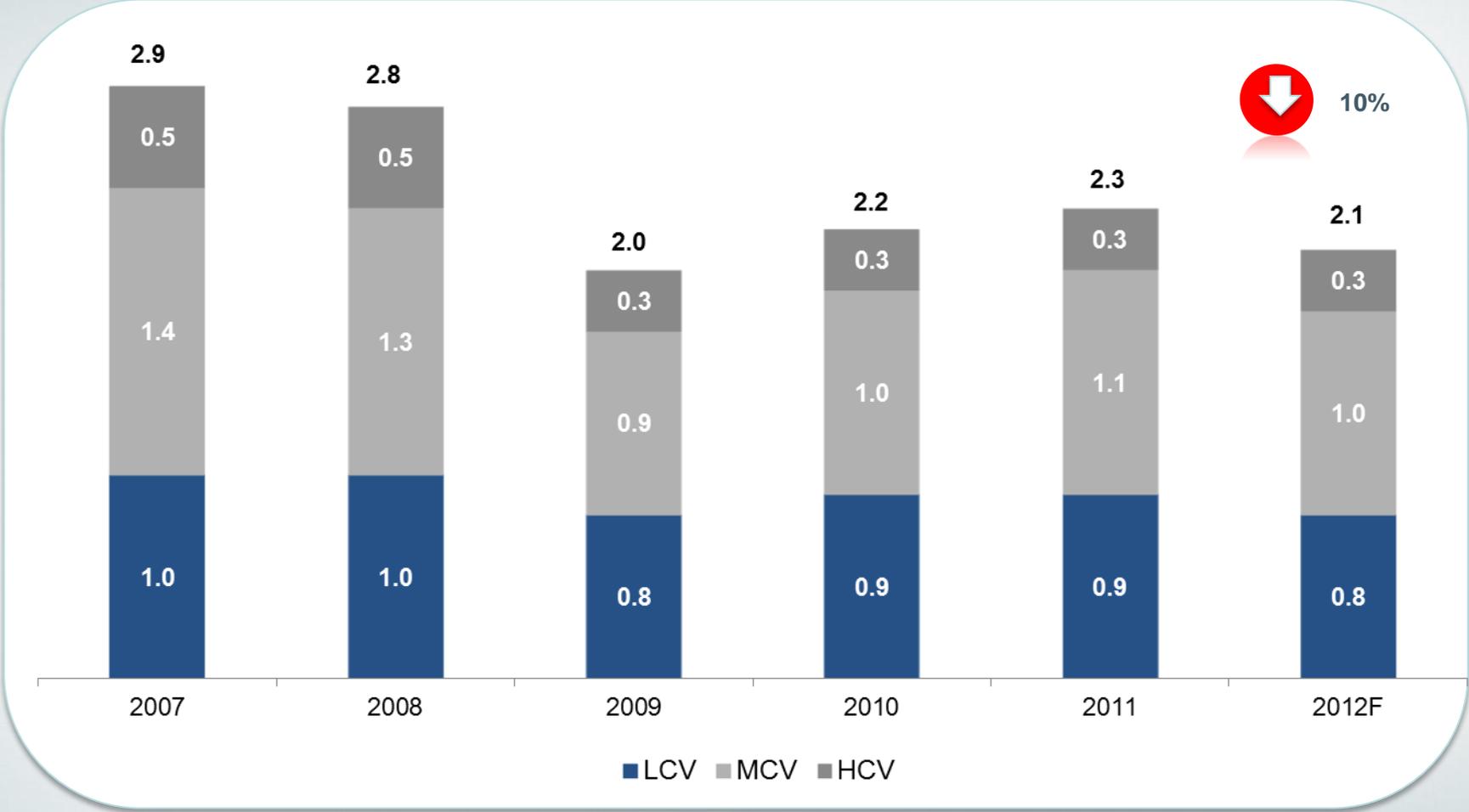
Ford CV market shares in Europe (1H12)



Total industry in Europe (19 markets, mn units)



CV industry in Europe (19 markets, mn units)

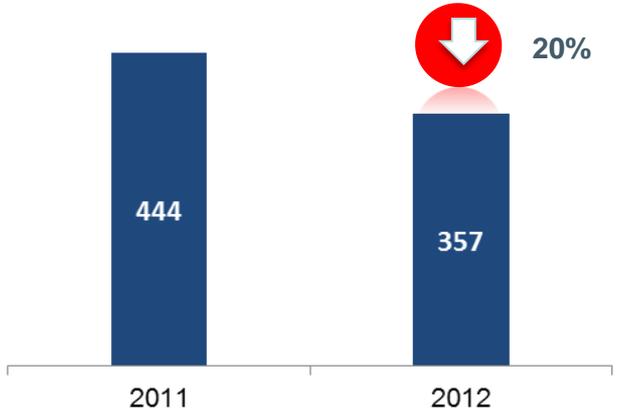


Ford Motor Co. 2Q results

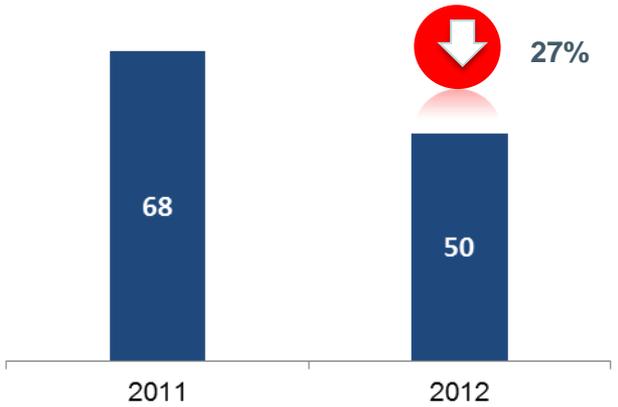
- Ford has now posted a pre-tax operating profit for **12 consecutive quarters**
- Second quarter net income was \$1 billion, a decrease of \$1.4 billion YoY, reflecting **lower operating results except for Ford North America and higher tax expense**
- Solid second quarter results were driven by Ford North America and Ford Credit; **challenges at Ford Europe and Ford South America** are being addressed through the company's One Ford plan
- Total Automotive operating profit was **\$1.4 billion**, a decrease of about \$900 million YoY
- Ford North America recorded **second straight quarter with profits** of more than \$2 billion and operating margin exceeding 10%
- Revenue was **\$33.3 billion**, a decrease of \$2.2 billion YoY
- Ford expects full year total company pre-tax operating profit to be **strong, but lower than 2011**, with positive Automotive operating-related cash flow

Industry and Ford Otosan volumes (June YTD)

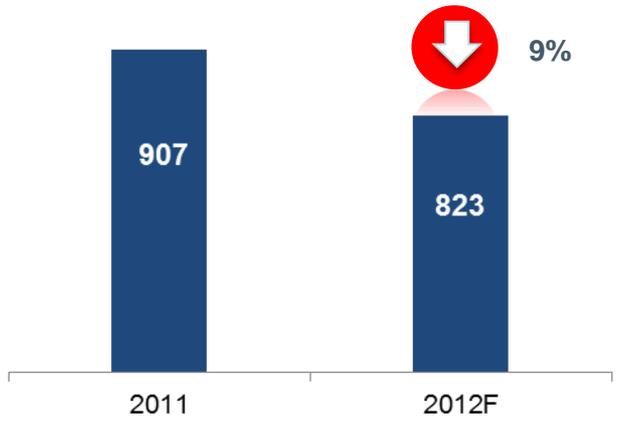
Total Automotive Industry, June YTD



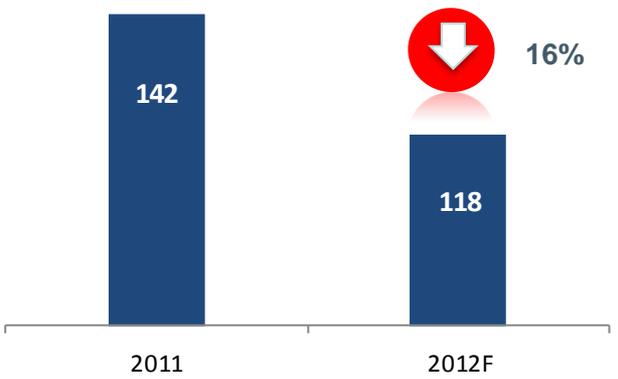
Ford Otosan, June YTD



Total Automotive Industry, 2012F



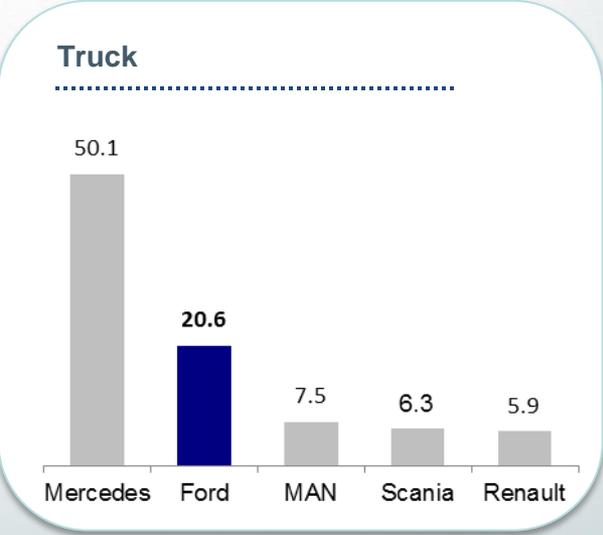
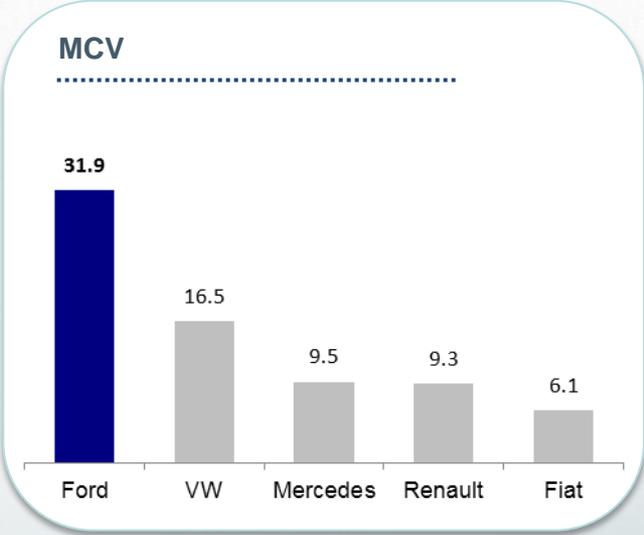
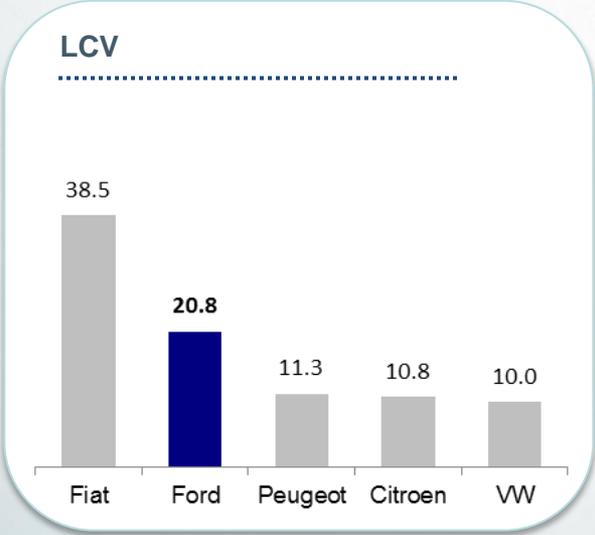
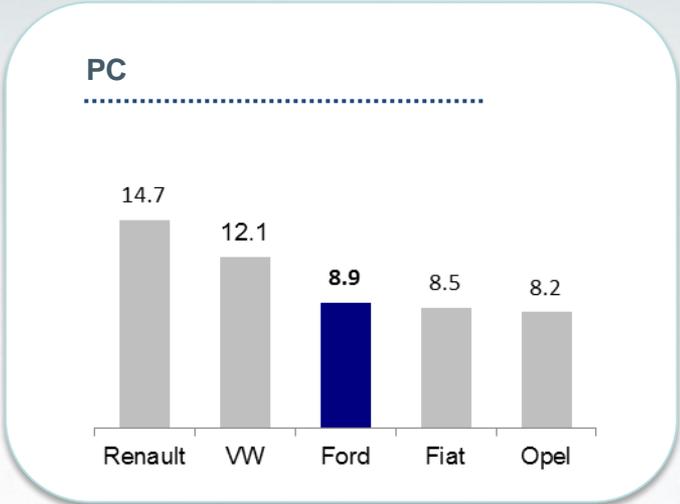
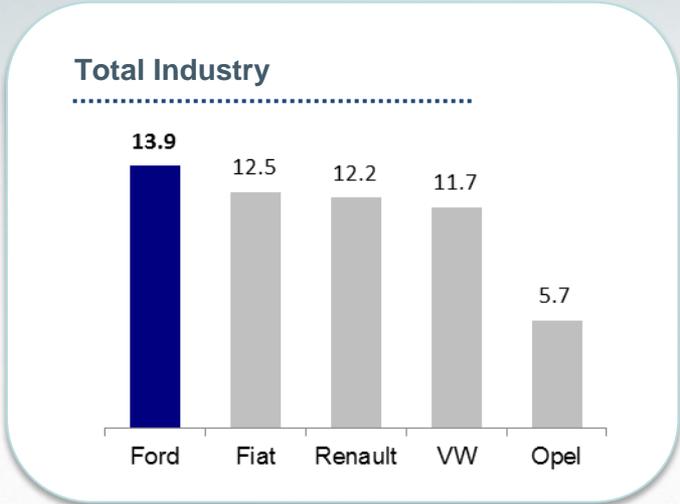
Ford Otosan Retail Sales, 2012F



Segment details

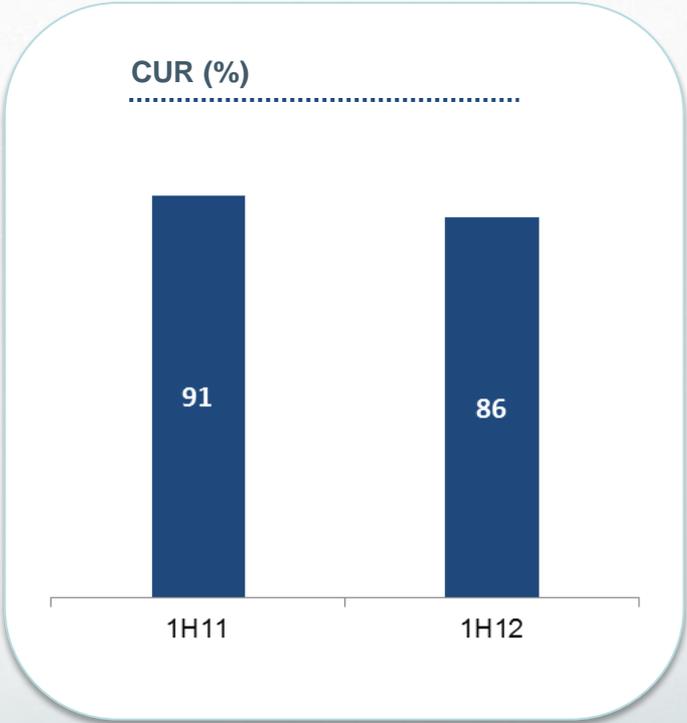
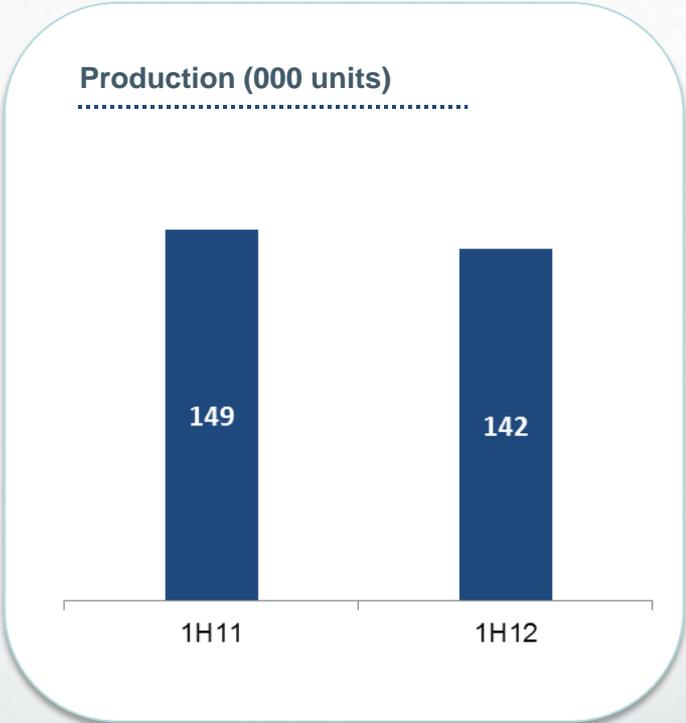
	Industry			Ford Otosan			
	Units		Change	1H12		1H11	
	1H12	1H11	%	Share	Rank	Share	Rank
Total	356,983	444,235	-20	13.9%	1	15.2%	1
PC	244,490	289,753	-16	8.9%	3	10.6%	2
LCV	55,314	83,202	-34	20.8%	2	19.5%	2
MCV	40,828	48,924	-17	31.9%	1	33.4%	1
Truck	14,887	19,781	-25	20.6%	2	21.9%	2

Market shares (June'12 YTD)

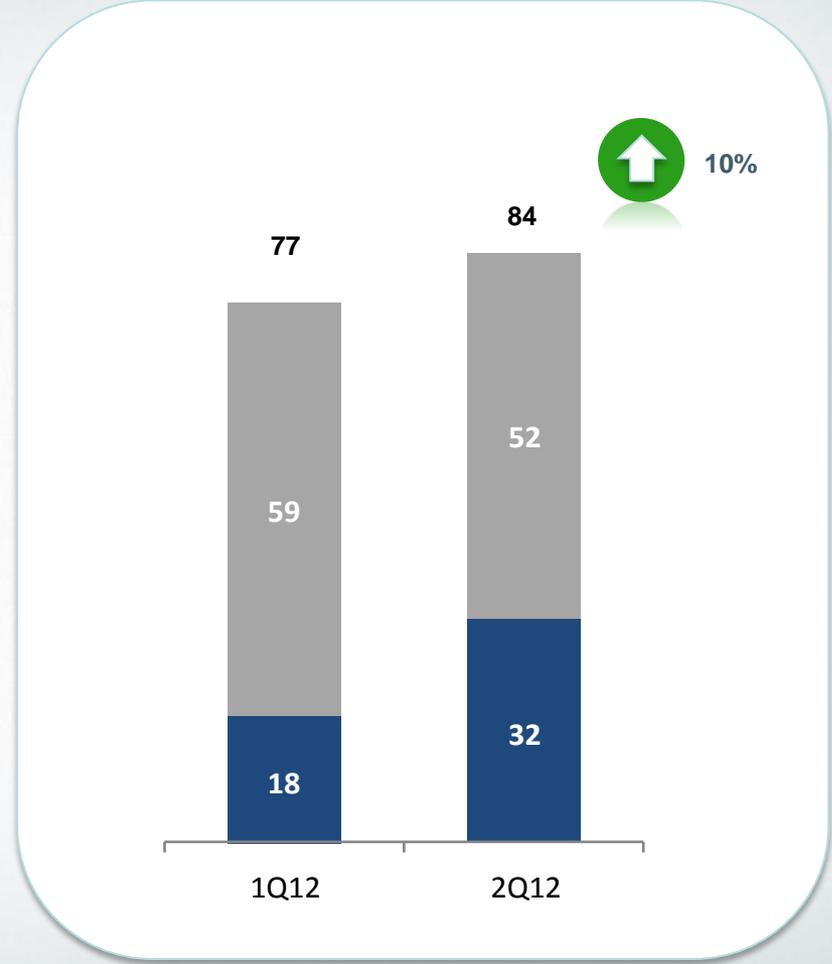
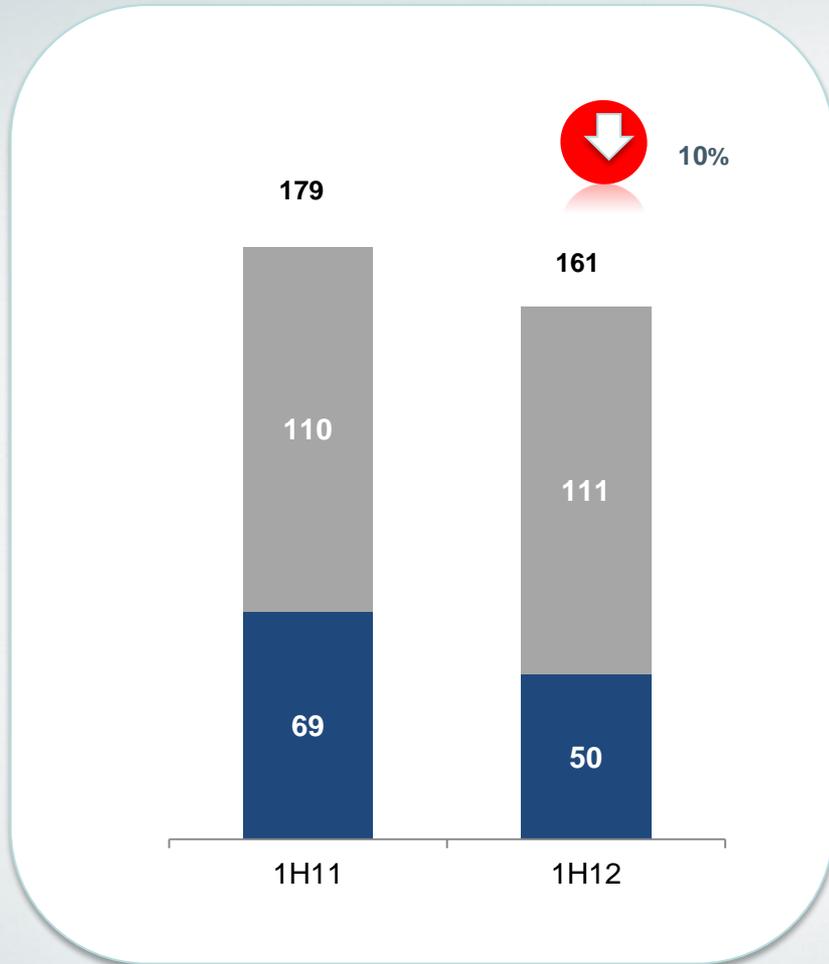


Production and CUR

- Ford Otosan produced 142K vehicles in 1H12, representing 5% decline YoY
- CUR was 86% in the first half of 2012.
- Kocaeli Plant manufactured 80,820 Transit and 56,486 Transit Connect, while İnönü Plant produced 4,264 Cargo trucks.

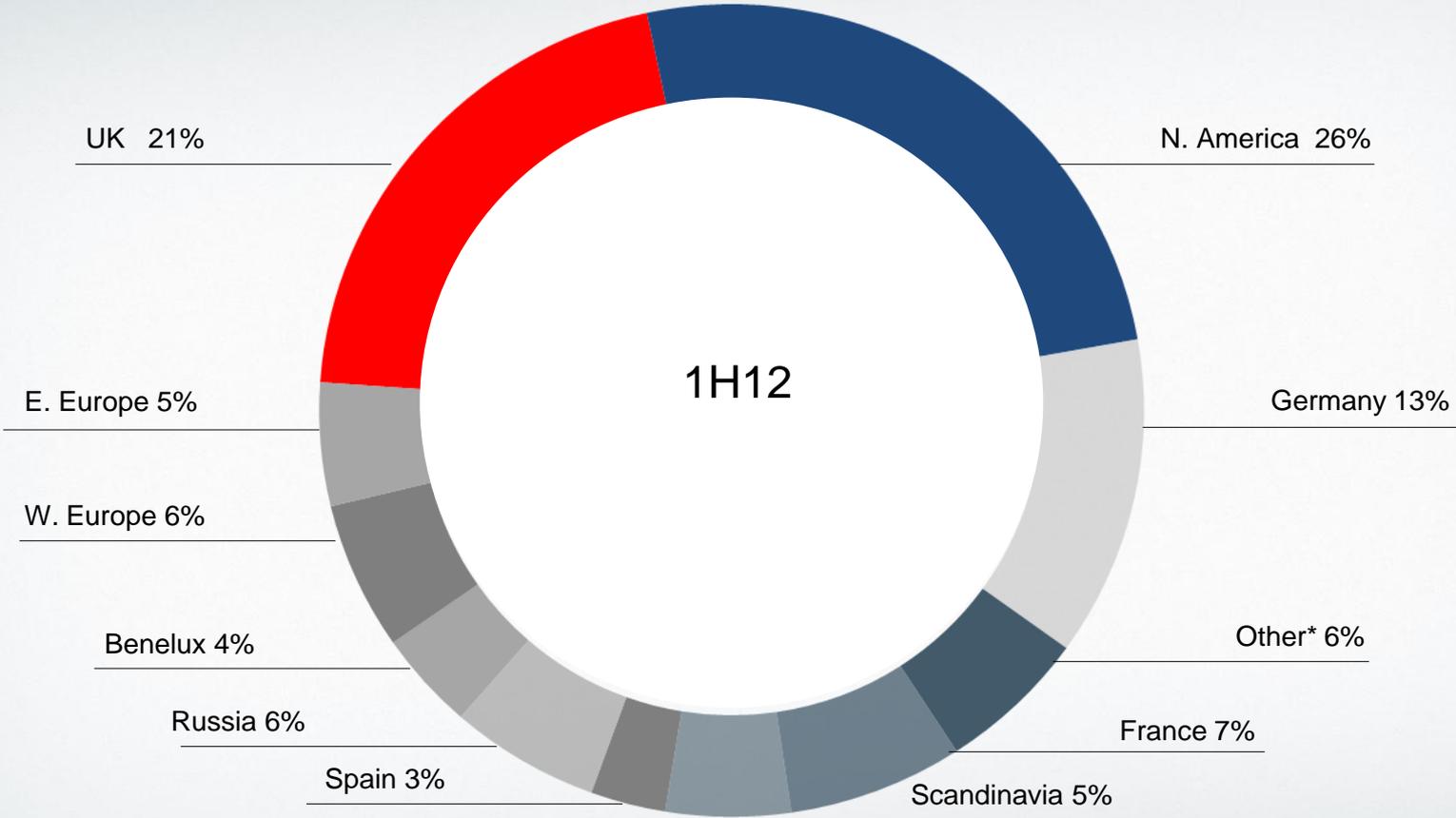


Wholesale volumes



■ Domestic ■ Exports

Main export markets



Other*: Countries with less than 2% share

1H12 Results

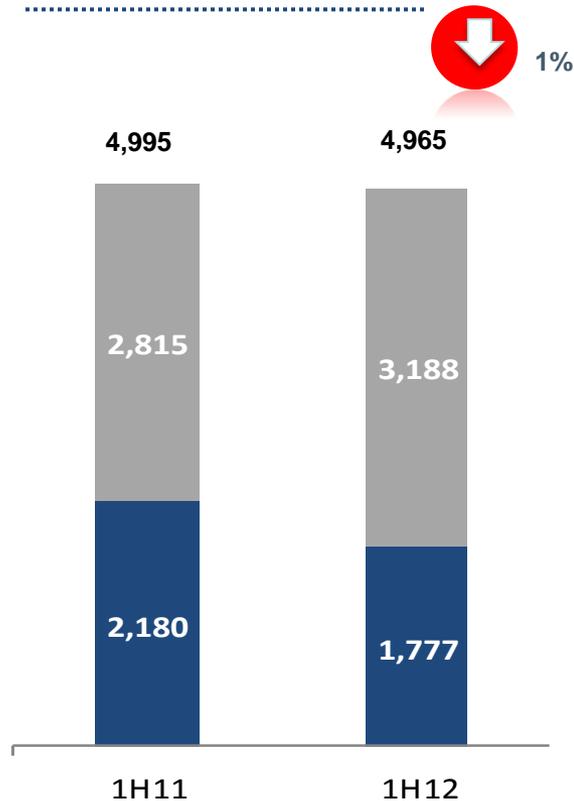
Oğuz Toprakođlu
CFO

Main financial indicators

Million TL	1H 2012	1H 2011	Change
Total Revenues	4,965	4,995	-1%
Domestic	1,777	2,180	-18%
Export	3,188	2,815	13%
Gross Profit	546	623	-12%
Operating Profit	333	369	-10%
EBITDA	412	441	-6%
Profit Before Tax	333	405	-18%
Net Income	331	332	-
End of Period Cash/(Debt) Balance	381	816	-53%
Financial Debt	714	709	1%
Capex	339	104	225%

Revenues

Revenues, TL mn



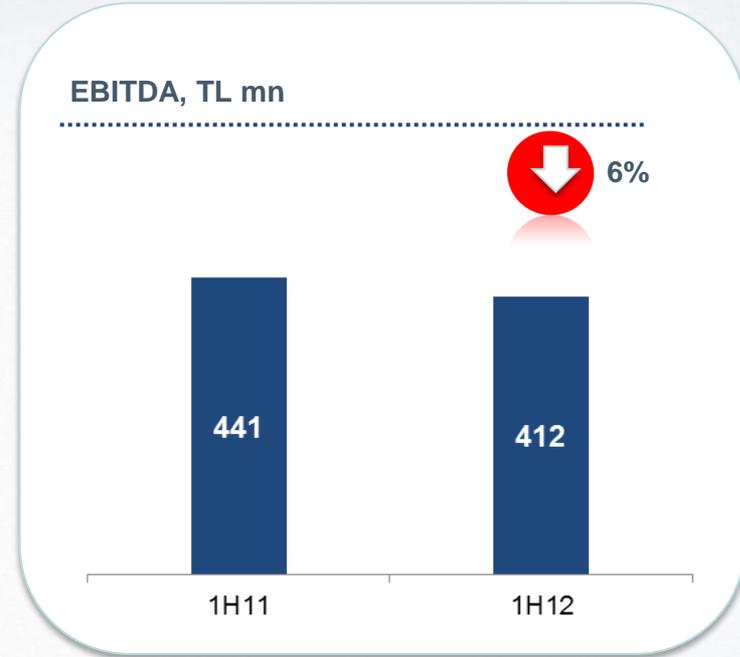
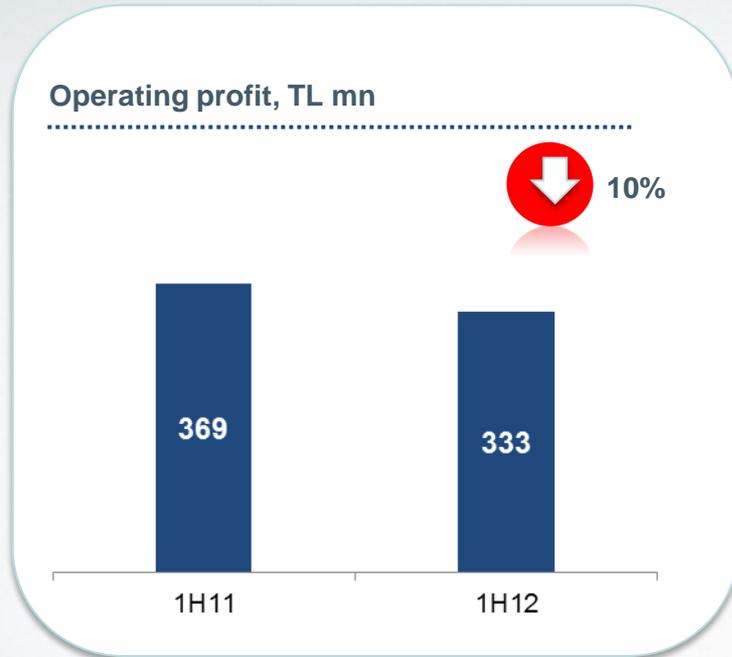
■ Domestic ■ Exports

- Domestic revenues declined by 18% to TL1,777 million as a result of the market contraction and ongoing aggressive price competition
- Export revenues increased by 13%, reaching TL3,188 million.
- Despite the current challenging business environment, our revenues came in at TL4,965 million, declining by a mere 1% thanks to the strong export revenues.

Sales volume by model

	1H 2012	1H 2011	YoY Change	2Q 2012	1Q 2012	QoQ Change
Domestic	49,869	68,713	-27%	31,912	17,957	78%
PC	21,869	31,647	-31%	14,720	7,149	106%
Transit Connect	12,182	16,551	-26%	7,505	4,677	60%
Total LCV	12,182	16,551	-26%	7,505	4,677	60%
Transit	12,655	15,222	-17%	7,846	4,809	63%
Ranger	-	866	n/a	-	-	
Total MCV	12,655	16,088	-21%	7,846	4,809	63%
Cargo	3,163	4,427	-29%	1,841	1,322	40%
Exports	110,694	110,341	-	52,116	58,578	-11%
Transit Connect	43,458	31,538	38%	23,367	20,091	16%
Transit	66,483	78,390	15%	28,183	38,300	-26%
Cargo	423	287	47%	340	83	310%
Other	330	126	162%	226	104	117%
Total Wholesale Volume	160,563	179,054	-10%	84,028	76,535	10%

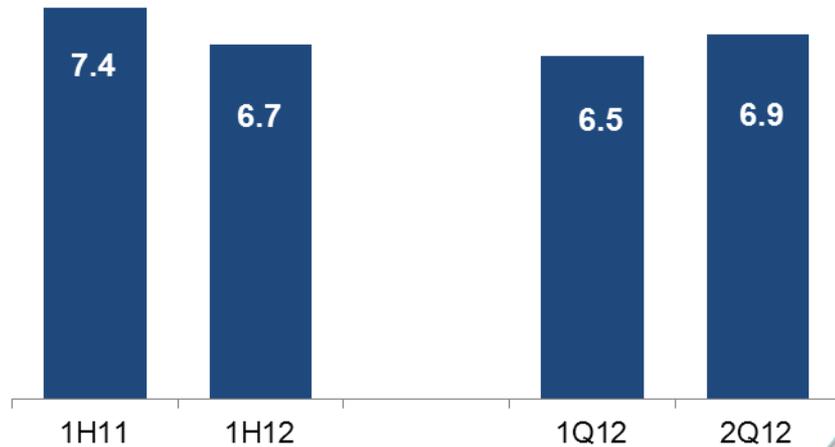
Operating profit & EBITDA



As a result of the market contraction and campaigns introduced as of February due to the ongoing price competition trends of 4Q11, operating profit was down 10% YoY to TL333 million.

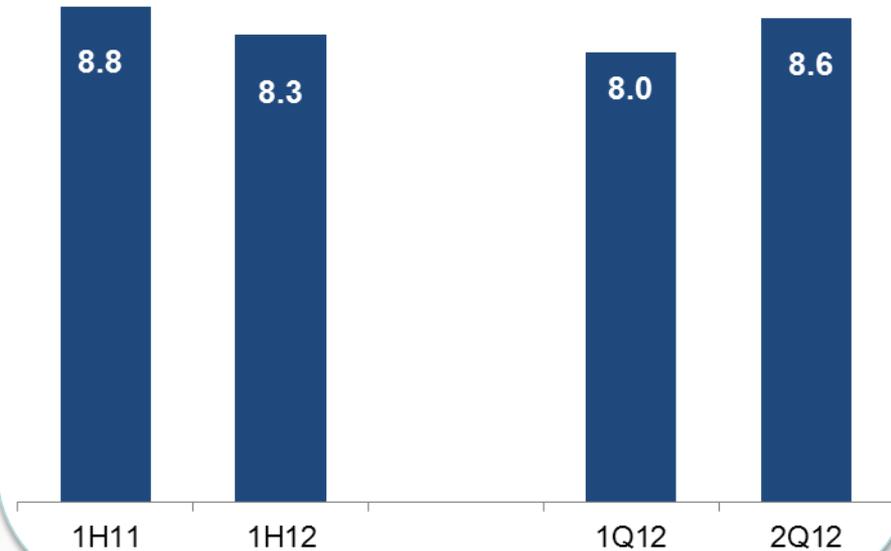
Quarterly improvement in margins

Operating Margin, %



Operating margin increased from 6.5% in 1Q12 to 6.9% in 2Q12 and was 6.7% for 1H12.

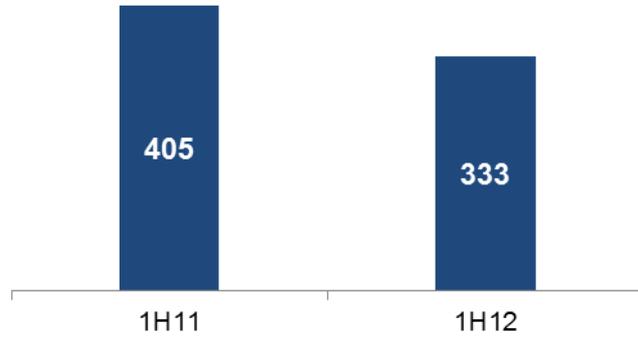
EBITDA Margin, %



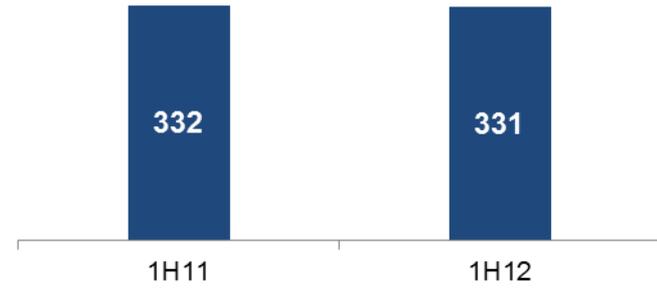
EBITDA margin increased from 8.0% in 1Q12 to 8.6% in 2Q12 and was 8.3% for 1H12.

PBT & Net income

Profit Before Tax, TL mn



Net Income, TL mn



Debt profile & financial ratios

Million TL	1H 2012	1H 2011
Gross Margin	10.9%	12.5%
Operating Margin	6.7%	7.4%
EBITDA Margin	8.3%	8.8%
ROE	35.3%	37.1%
Financial Debt/Equity	0.38	0.40
Current Ratio	1.54	1.64
Liquidity Ratio	1.08	1.23
Current Assets/Total Assets	0.60	0.72
Current Liabilities/Total Liabilities	0.73	0.79
Total Liabilities / Total Liabilities & Equity	0.54	0.56

2012 Guidance

Turkish Industry Volume	823K
Retail Sales Volume	118K
Exports	208K
Wholesale Volume	325K
Production Volume	276K
Capex	\$ 540 million