

Highlights

<u>Financial Results</u>	<u>Million TL</u>	<u>YoY Change</u>
Revenues	7.526	44%
Export Revenues	4.703	24%
Domestic Revenues	2.822	97%
Operating Profit	465	122%
EBITDA	658	92%
Profit Before Tax	394	177%
Net Income	407	15%
<u>Volume</u>	<u>Units</u>	<u>YoY Change</u>
Production	159.441	45%
Total Wholesale Volume	176.201	43%
Export Volume	115.827	23%
Domestic Volume	60.374	104%
Retail Volume	57.365	89%
Market Share	12,7%	2,7 pps

1H15 financial results published in this earnings announcement have been prepared according to the International Financial Reporting Standards (IFRS) and subject to independent limited review of Ernst & Young Global Limited.

Summary Income Statement, Million TL	30.06.2015	30.06.2014	% Change
Revenues	7.526	5.214	44%
Export	4.703	3.782	24%
Domestic	2.822	1.432	97%
Gross Profit	839	475	77%
Operating Profit	465	210	122%
Financial Income/(Expense)	-72	-66	8%
Profit Before Tax	394	142	177%
Net Income	407	353	15%
Other Financial Data			
Depreciation and Amortization	192	133	45%
EBITDA	658	342	92%
Capital Expenditures	189	470	-60%

Revenues

The Turkish automotive industry had a very strong start to 2015 and sales reached 452,588 units in 1H, up 50% YoY, with the low base year. 1H15 marked the highest first half on record in PC and total industry sales. The growth in commercial vehicles continued and the second best industry volumes were recorded for first half sales post-2011. The share of PCs in the total industry was 72%, down from 75% a year ago. LCV industry share was 13%, up from 10% in 1H14. Ford Otosan took second place in the industry with strong growth in retail sales (57,365 units, up 89% YoY) and market share (12.7%, up 270 b.p. YoY). Market growth, higher demand for new products and low base year resulted in 104% YoY growth in Ford Otosan's domestic wholesale volumes to 60,374 units. Domestic revenues were TL 2,822 million, up 97% YoY, with rising volumes and higher vehicle prices. Exports grew 23% YoY to 115,827 units with strong markets, higher demand for new products, and low base year. Ford continued to grow its commercial vehicle sales and market share, leveraging the all-new Transit range. Ford gained the No. 2 best-selling commercial vehicle brand position in Europe, up from No. 7 in 2012. Export revenues reached 4,703 million TL, up 24% YoY, with increasing volumes. Ford Otosan's total wholesale volume reached 176,201 units, up 43% YoY, and revenues were 7,526 million TL, up 44% YoY. The share of exports in total revenues was 62%. Production increased by 45% YoY to 159,441, yielding 77% CUR.

Profitability

Profitability continued to improve YoY in the second quarter and first half as a result of higher unit sales in both domestic and export markets, favorable sales mix, lower import costs resulting from lower EUR/TL (2.86 in 1H15 vs. 2.97 in 1H14), increasing capacity utilization and cost reduction actions. Gross profit increased by 77% YoY to TL 839 million. EBITDA grew by 92% YoY to TL 658 million. EBITDA excluding other items increased by 79% YoY to TL 631 million. Operating profit grew by 122% YoY to TL 465 million, despite the 45% YoY rise in depreciation and amortization. Despite the rise in FX losses and net financial expenses, profit before tax grew by 177% YoY to TL 394 million. First half net income was booked as TL 407 million, up by 15% YoY and higher than profit before tax due to the deferred tax gain based on future tax benefits coming from investment incentives. Margins: Gross 11.1% (+2 pps YoY); EBITDA 8.7% (+2.2 pps YoY); EBITDA margin excluding other income 8.4% (+1.6 pps YoY) and Operating 6.2% (+2.2 pps YoY).

Sales Volume by Model, units	30.06.2015	30.06.2014	% Change
Domestic Sales			
Passenger Car	22.957	12.204	88%
Transit Courier	16.140	3.610	347%
Transit Connect	1.359	2.689	-49%
Light Commercial Vehicle	17.499	6.299	178%
Transit	12.532	6.809	84%
Transit Custom	2.820	1.479	91%
Ranger	106	130	-18%
Medium Commercial Vehicle	15.458	8.418	84%
Truck	4.460	2.704	65%
Total Domestic	60.374	29.625	104%
Export Sales			
Transit Custom	54.794	52.748	4%
Transit	47.352	31.137	52%
Transit Courier	13.230	9.329	42%
Cargo	261	436	-40%
Other	190	139	37%
Total Exports	115.827	93.789	23%
Total Wholesale Volume	176.201	123.414	43%

Total Domestic Automotive Industry	452.588	302.680	50%
Ford Otosan Retail Sales	57.365	30.376	89%
Ford Otosan Market Share	12,7%	10,0%	2,7 pps

Summary Balance Sheet, Million TL	30.06.2015	31.12.2014	% Change
Current Assets	3.563	2.958	20%
Current Liabilities	3.165	2.972	7%
Property, Plant and Equipment - Net	3.158	3.128	1%
Total Assets	7.872	7.235	9%
Total Liabilities	4.984	4.481	11%
Shareholders' Equity	2.888	2.754	5%

Financial Ratios		
	30.06.2015	31.12.2014
Current Ratio	1,13	1,00
Liquidity Ratio	0,70	0,74
Net Financial Debt / Tangible Net Worth	1,03	0,79
Current Assets / Total Assets	0,45	0,41
Current Liabilities / Total Liabilities	0,64	0,66
Total Liabilities / Total Liabilities and Equity	0,63	0,62
Return on Equity	28,2%	21,6%
	30.06.2015	30.06.2014
Gross Margin	11,1%	9,1%
EBITDA Margin	8,7%	6,6%
Operating Margin	6,2%	4,0%
Net Income Margin	5,4%	6,8%

Summary Cash Flow Statement, Million TL	30.06.2015	30.06.2014	% Change
Beginning Balance of Cash & Equivalents	577	238	142%
Net Cash Generated from Operating Activities	-122	598	
Net Cash Used in Investing Activities	-174	-461	-62%
Net Cash Used in Financing Activities	1	-230	
End of Period Balance of Cash & Equivalents	282	144	95%

2015 Guidance	
Total Industry Volume	988 k
Ford Otosan:	
Retail Sales Volume	132 k
Export Volume	262 k
Wholesale Volume	394 k
Production Volume	344 k
Capex (fixed assets)	US\$ 200 million

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