



**PRESS MEETING**

**15.02.2013**

***TÜRK TRAKTÖR VE ZİRAAT MAKİNELERİ A.Ş.***

## Company Profile



**TürkTraktör**  
1954'den günümüze

### Local Products

- Tractors



(New Holland - Case IH brand  
56-TT-TD/JX-T480, Utility series)

- Transmission



- Engine



### Import Products

- Tractors



(New Holland - Case IH brand)

- Combines



- Cotton Pickers



- Balers



- Sprayers

- Other Agricultural Equipments

## Company Profile



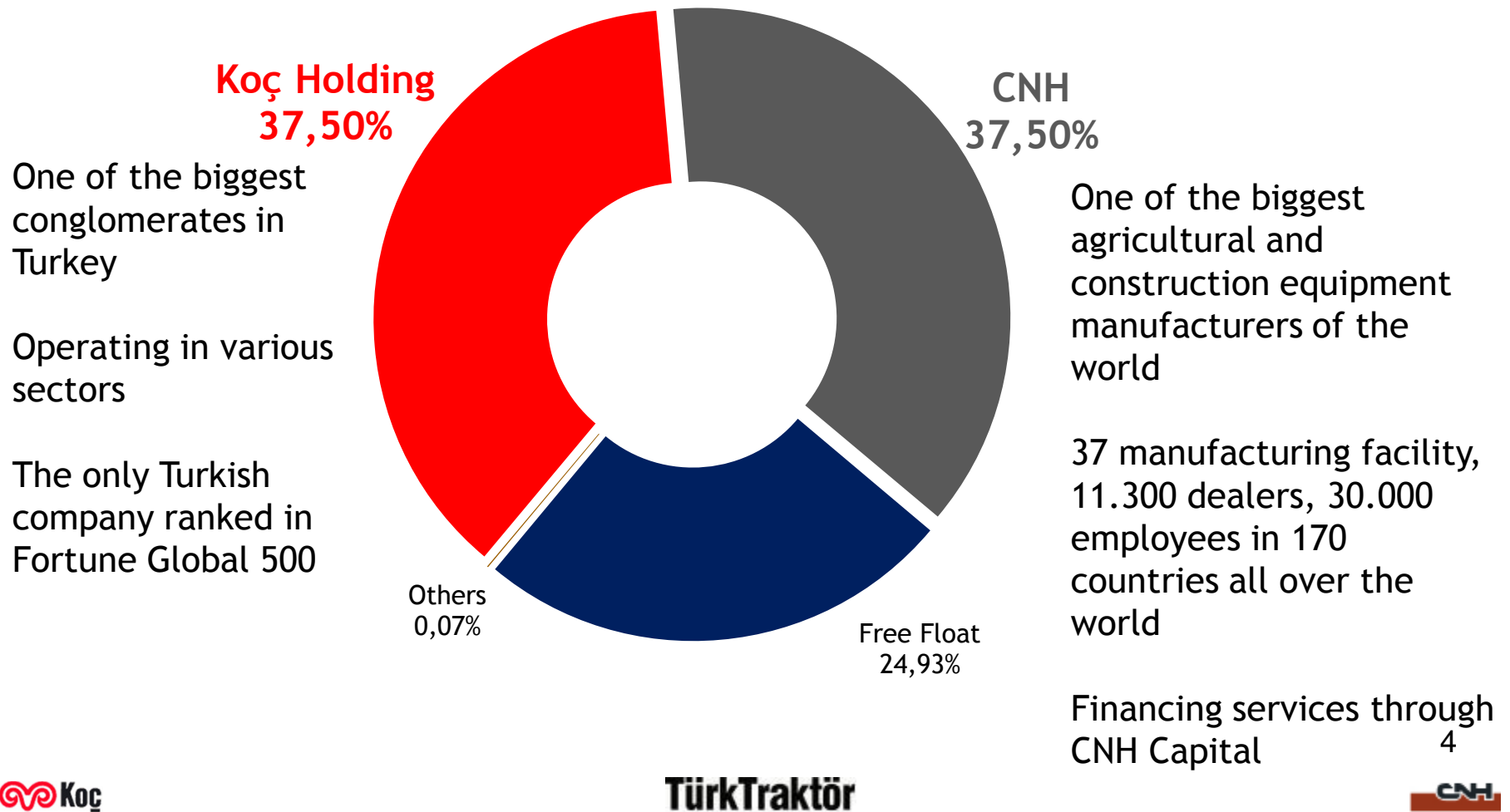
TürkTraktör develops the highest performance and fuel efficient products according to special needs and requirements of the farmers.

The mission of TürkTraktör is to supply more efficient and more comfortable products for the Turkish farmers requesting to increase their efficiency and demanding more year over year.

TürkTraktör's products' main parts such as engines and transmission produced in Ankara facility and almost all the remaining parts are provided by Turkish supply industry.

## Company Profile

### Strong Shareholder Structure



## Company Profile



From the beginning, TürkTraktör's goal has always been to support Turkish agricultural sector and Turkish farmers, contributing Turkey to use its agricultural potential in the best way and improving productivity for everyone. Today it exports the tractors produced in Turkey, to more than 90 countries worldwide.

Turkey is the 5th biggest tractor market and in 2012 32 brands were competing; TürkTraktör manufactures one out of every two tractors in this market.

Worldwide engineering center and the main production center for New Holland TD and Case IH JX series tractors, sole manufacturing center of Utility series tractors and the only manufacturing and engineering center of CNH for 66 driveline series.

It has been carrying on the investment studies of assembly plant which will be enable us to produce tractors in Adapazarı. It is planning to invest 80 million dollars in the following years.



## TürkTraktör at a Glance



## Quality & Occupational Safety & Environment



**Quality at TürkTraktör;** TürkTraktör measures, monitors and continuously improves all its processes. ISO 9001 is used as a guide for this purpose. Likewise, having OHSAS 18001:2007 Occupational Safety Management System, ISO 14001:2004 Environmental Management System standard certificates is the indication of the priority given to environment, occupational safety and energy efficiency.

TürkTraktör is a company being granted the ISO 27001 Information Security Management System, ISO 10002 Customer Complaints Management System and ISO 50001 Energy Management System as the first in Turkey and ISO 14064 Greenhouse Gas Accounting and Verification Standards.

**Occupational Safety at TürkTraktör;** Providing a working environment free from work accidents and occupational diseases not only for its employees but also for all the visitors, sub-contractors and interns.

The first priority is to set the preventive approach understanding in occupational health and safety

On-the-job talk for reaching the “0 Work Accident” target under the World Class Manufacturing activities

**Environment at TürkTraktör;** “carbon footprint” practice as the precondition for being climate-friendly

the greenhouse gas emissions are being calculated within the context of ISO 14064 Greenhouse Gas Accounting and Verification procedure

ISO 50001 Energy Management System

## Important Developments in 2012



Total Tractor Market (2012/11 months)*	<b>45.561 units</b>
Local Tractor Sales Units (2012 Year)	<b>25.597 units</b>
Export Tractor Sales Units (2012 Year)	<b>14.565 units</b>
Manufactured Tractor Units (2012 Year)	<b>39.574 units</b>
Total Employment (2012 Year)	<b>2.378 person</b>
R&D Employees (2012 Year)	<b>83 person</b>

\* TURKSTAT Traffic Registration Data



## World Tractor Market



The world tractor market increased by 12% in 2011 and it is expected to reach 1.5 million units by increasing 3% in 2012.

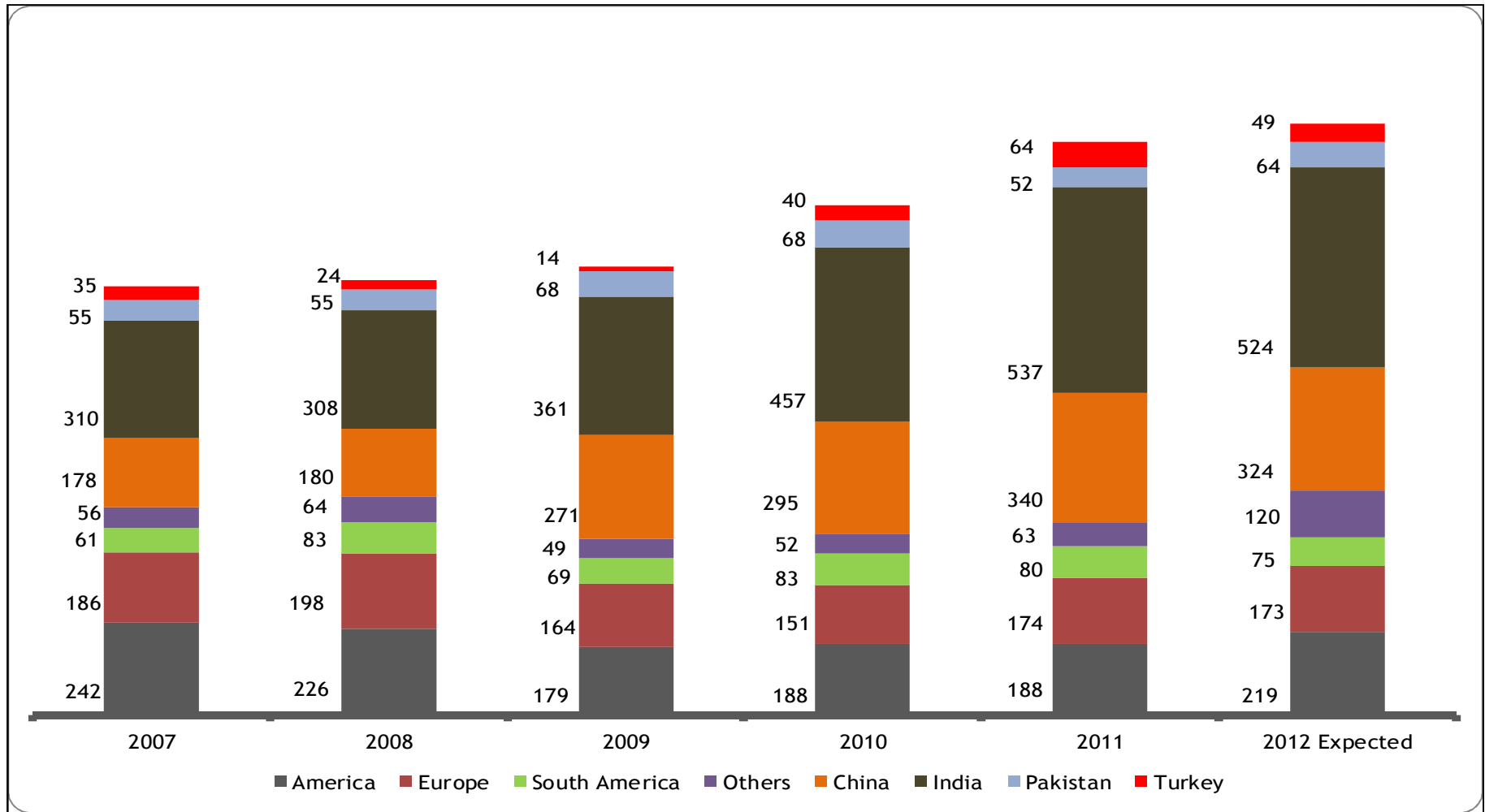
Turkey is the 5th biggest tractor market in the world (excluding China and India) by considering the fact that the market is expected to reach 49,000 units in 2012.

25.000 units of tractors sold in whole Africa continent while 49.000 units sold in Turkey.

While major grain producing countries (France, Germany and Poland) benefitting from favorable weather conditions in 2012, South EU countries heavily impacted by unfavorable weather conditions. However, European market was remained stable compared to last year.

Having the biggest tractor market in the world, the market contracted by 3% in average in India and China, thanks to the increase in government subsidies and liquidity in financial sector.

# World Tractor Market (Thousand Units)



## Turkish Tractor Market in 2012



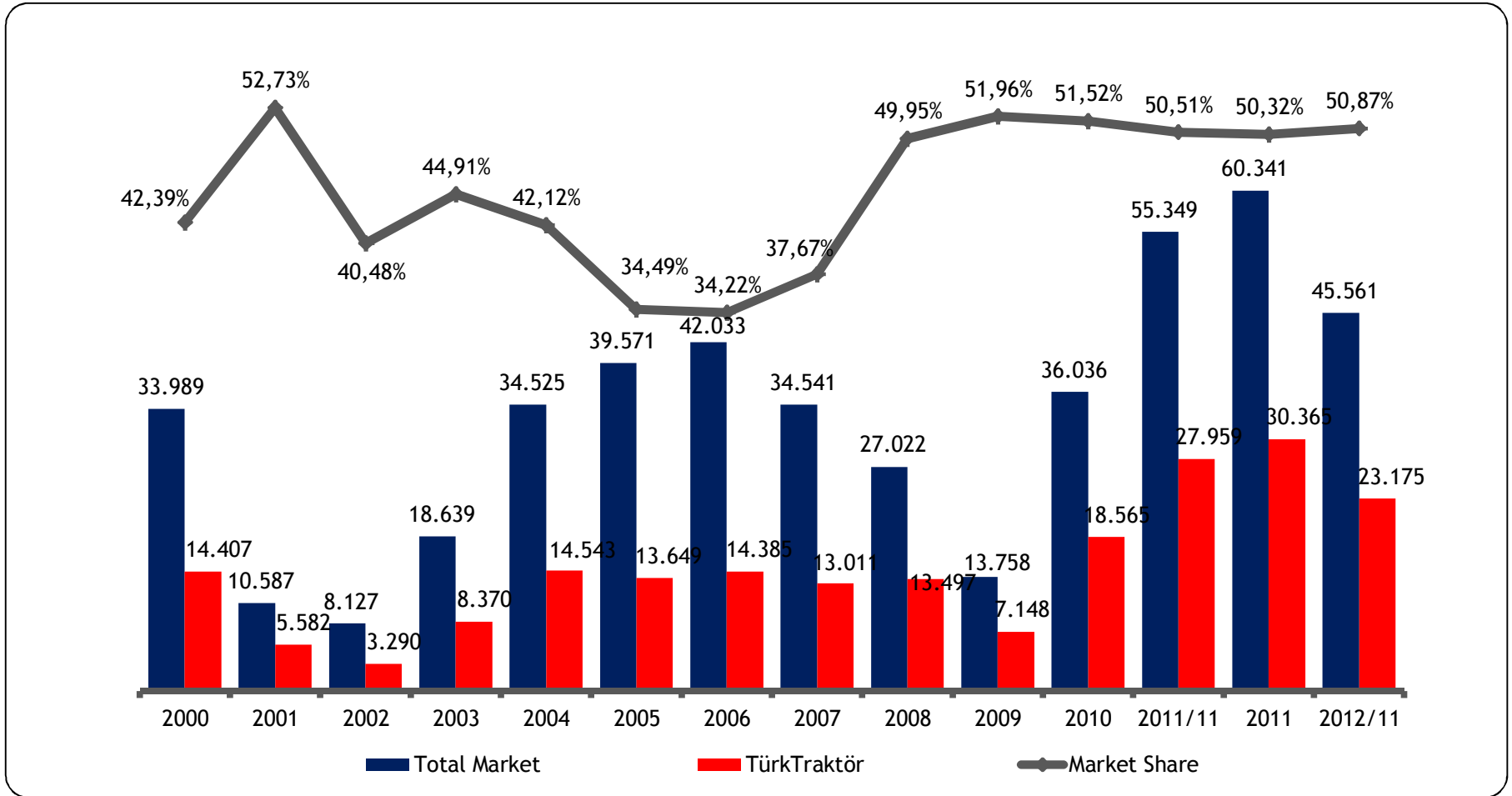
The record sales trend of 2011 demand has been supporting the first half performance of 2012.

The harvest season for farmers has been in the average, due to some adverse weather conditions in some parts of the country, especially grain growers.

The availability of retail finance, despite a slow start from Ziraat Bankası, has been fair especially thanks to the lower interest rates of the private banking sector.

Support from the government has continued in 2013 as well. It is estimated that the governmental incentives and agricultural subsidies will increase by 17% and reach to 9,1 billion TL, in 2013.

# Turkish Tractor Market (Units)



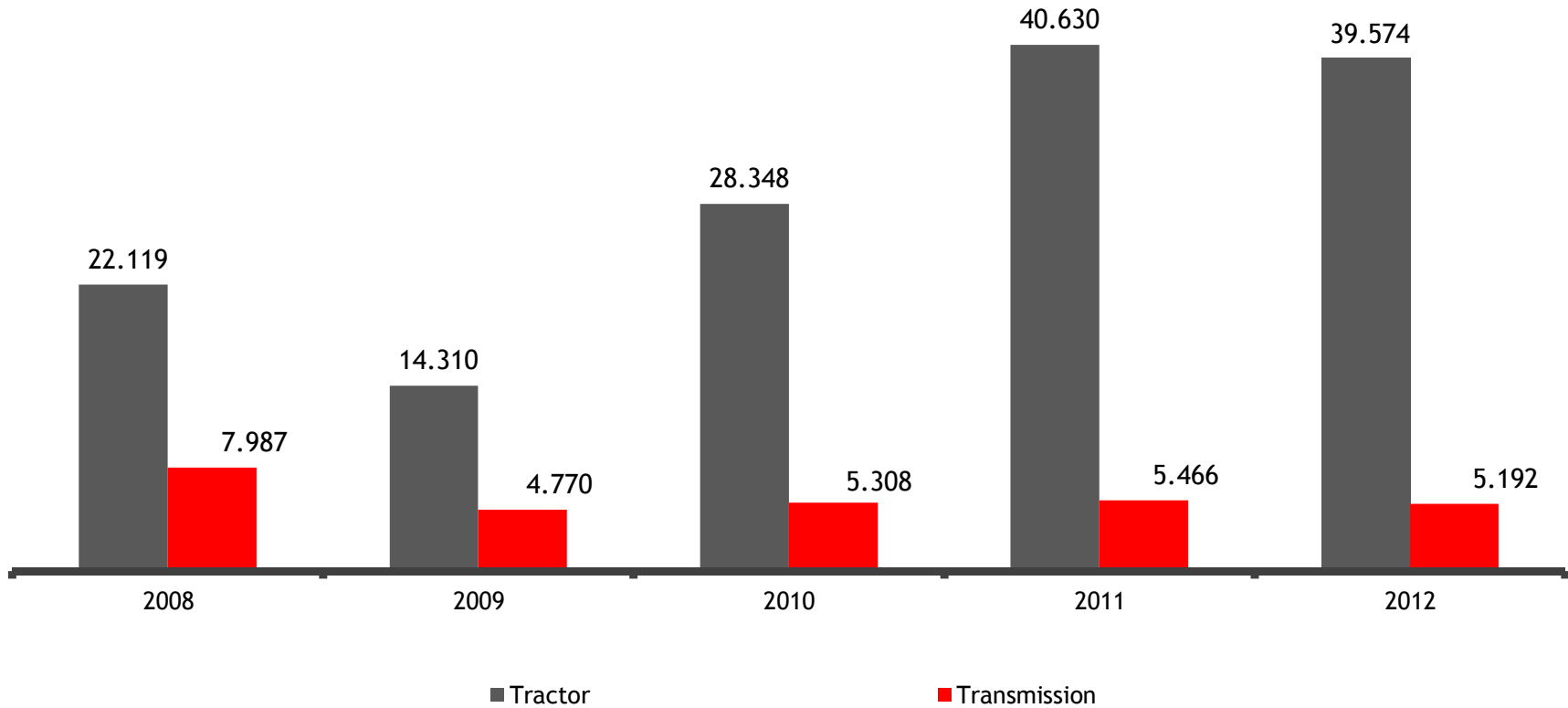
\* TURKSTAT Traffic Registration Data

# Operational and Financial Performance

## Efficiency in Production



### Manufacturing Units

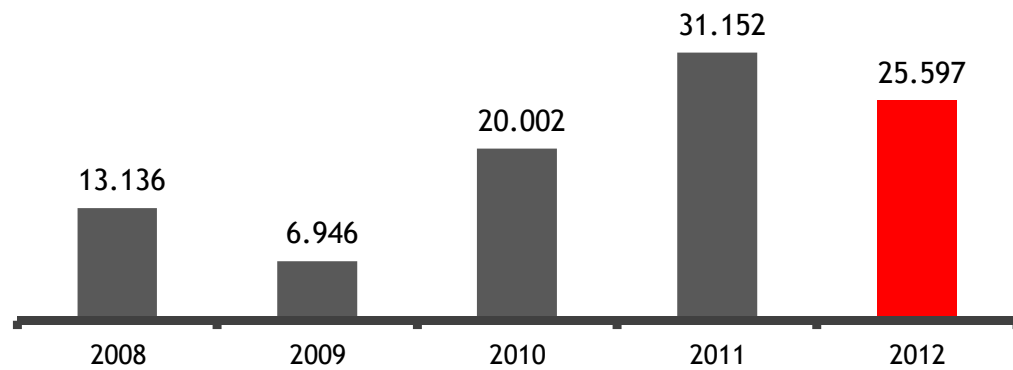


## Operational and Financial Performance

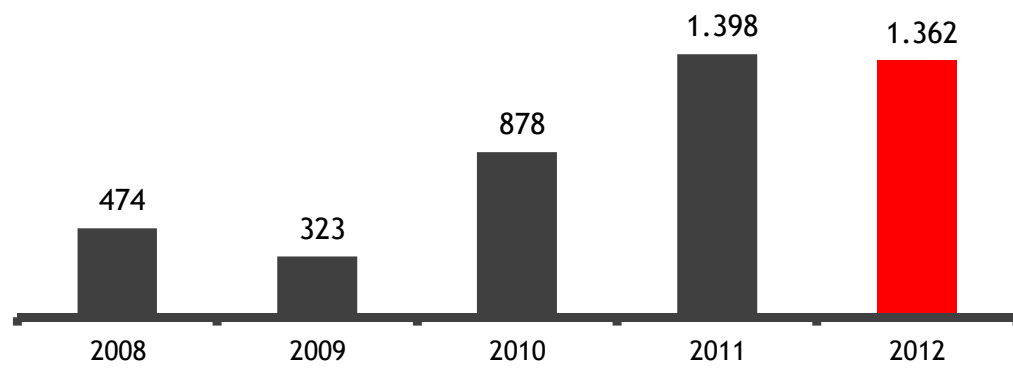
### Local Sales (Tractor)



#### Local Sales (units)



#### Local Sales Revenue (Million TL)



Case IH JX110 and New Holland TD110D were launched to the market in 2012 with 110HP engine power.

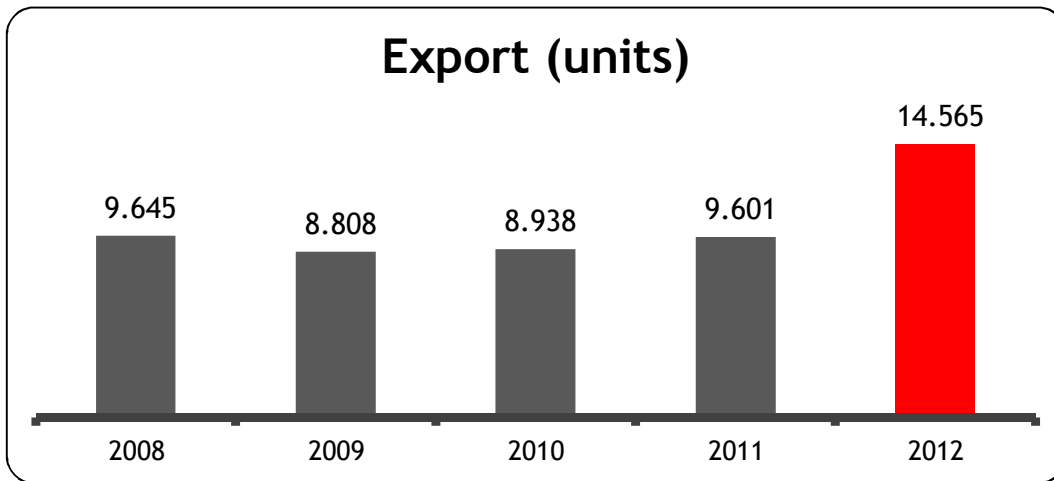
Utility series tractors, which were launched to export markets, released with Case IH JXC model and with 55HP - 65HP - 75HP engine powers.

New Holland TDD and Case IH JX Series were launched with renewed cabin design and face-lift.

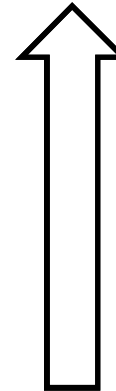


# Operational and Financial Performance

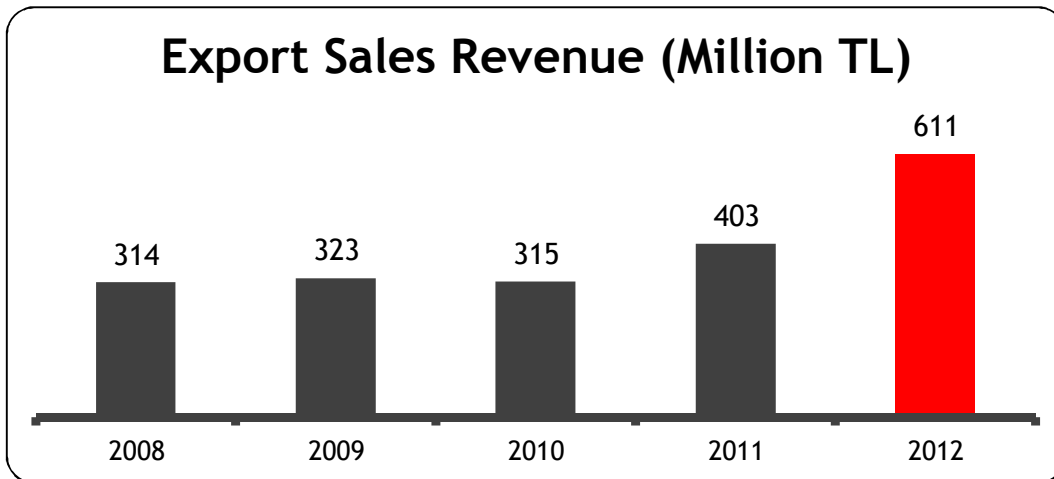
## Sustainable Export Growth (Tractor)



**%52**

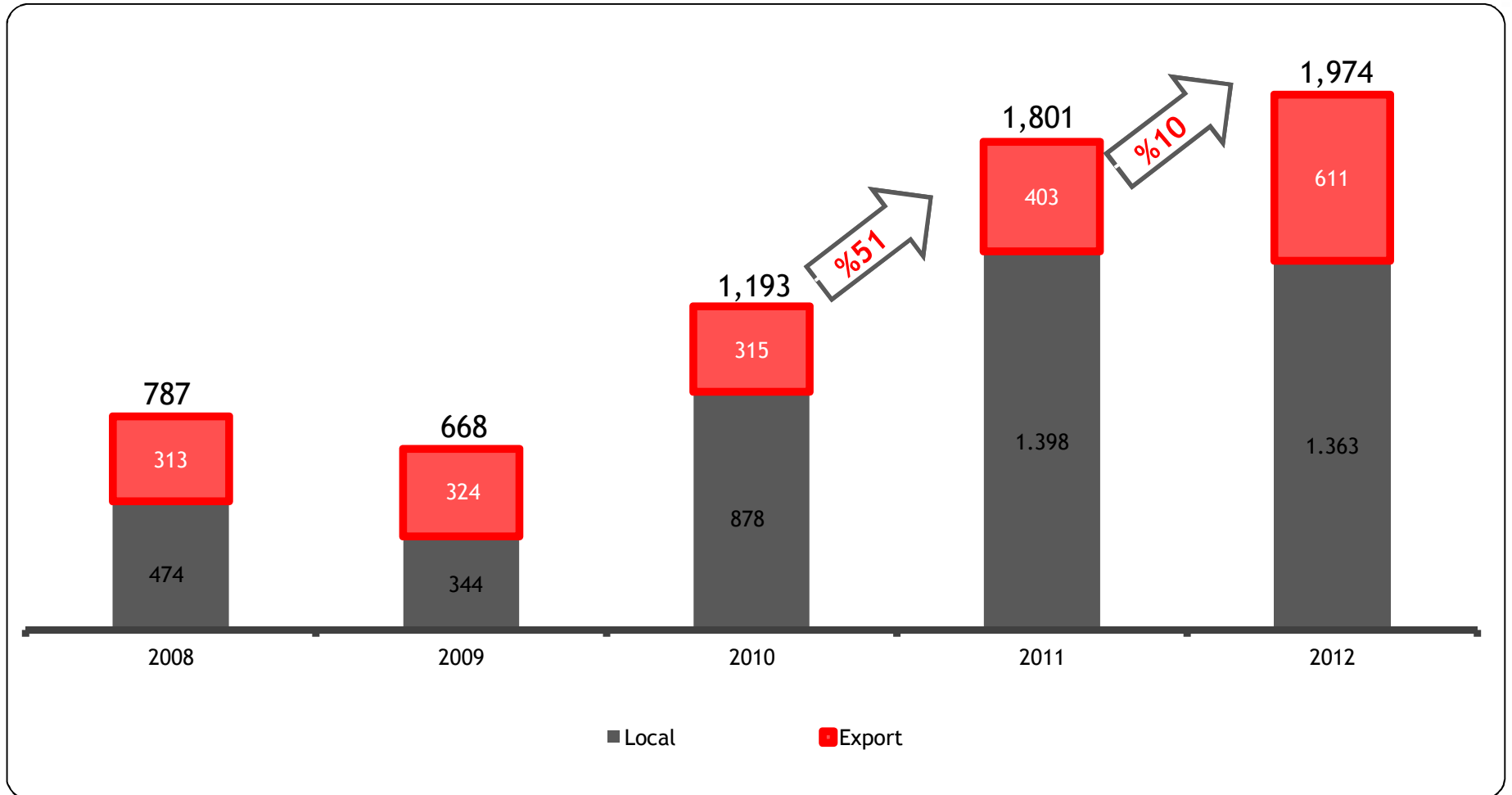


With the contribution of Utility series tractors, **totally 14.565** tractors, a record-breaker amount, were exported in 2012



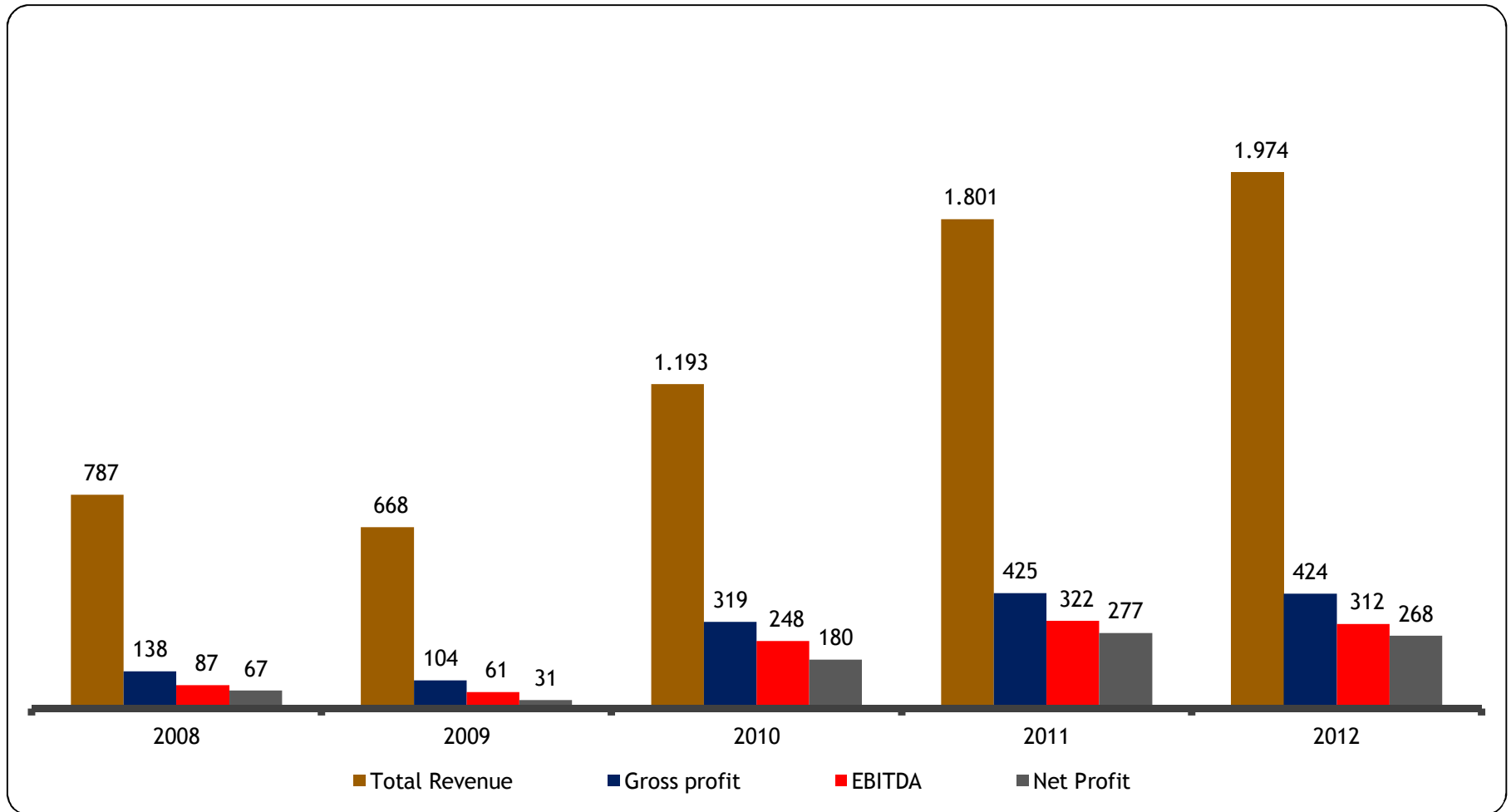
# Operational and Financial Performance

## Total Revenue (Million TL)



# Operational and Financial Performance

## Sustainable Profitability (Million TL)



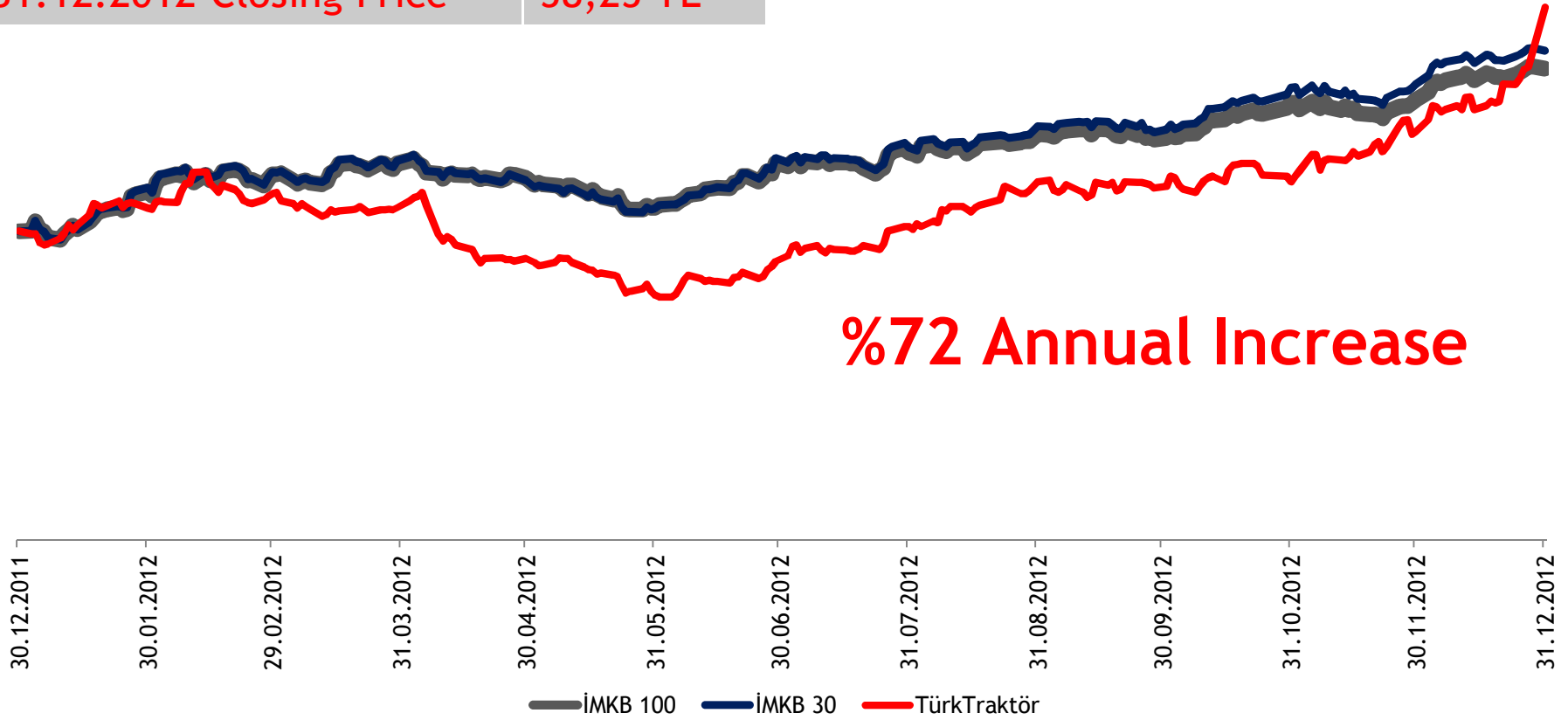
## Stock Performance

(31.12.2011 = 100)



**31.12.2011 Closing Price** 33,80 TL

**31.12.2012 Closing Price** 58,25 TL



## Disclaimer



This presentation contains forward-looking statements that reflect the Company management's current views with respect to certain future events.

Although it is believed that the expectations reflected in these statements are reasonable, they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results to differ materially.

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**QUESTION & ANSWER**