

ANALYST MEETING

29.07.2013



TÜRKTRAKTÖR



Company Profile

World Market & Latest Developments

Operational & Financial Performance

**our hands that touched the face of the earth,
grew with the strength that earth gave**

Company Profile

Local Products

- Tractors




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

- Transmission



- Engine



100 NH tractor sales dealers
98 spare part dealers
29 Case IH 3S dealers

Import Products

- Tractors



(New Holland – Case IH brand)

- Combines



- Cotton Pickers



- Balers



- Sprayers



- Other Agricultural Equipments



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 6th biggest tractor market in 2012 and 32 brands are competing; TürkTraktör manufactures one out of every two tractors in this market and TürkTraktör is market leader for 7 years in Turkish Tractor market.

Worldwide engineering center and the main production center for New Holland TDD 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.

In addition to the existing plant in Ankara, in March, we made groundbreaking for the new assembly plant in Adapazari. Through the new plant, planned to start operation in 2014, we will not only be better meeting the increasing external demand but we will also be meeting the domestic demand yet more efficiently.





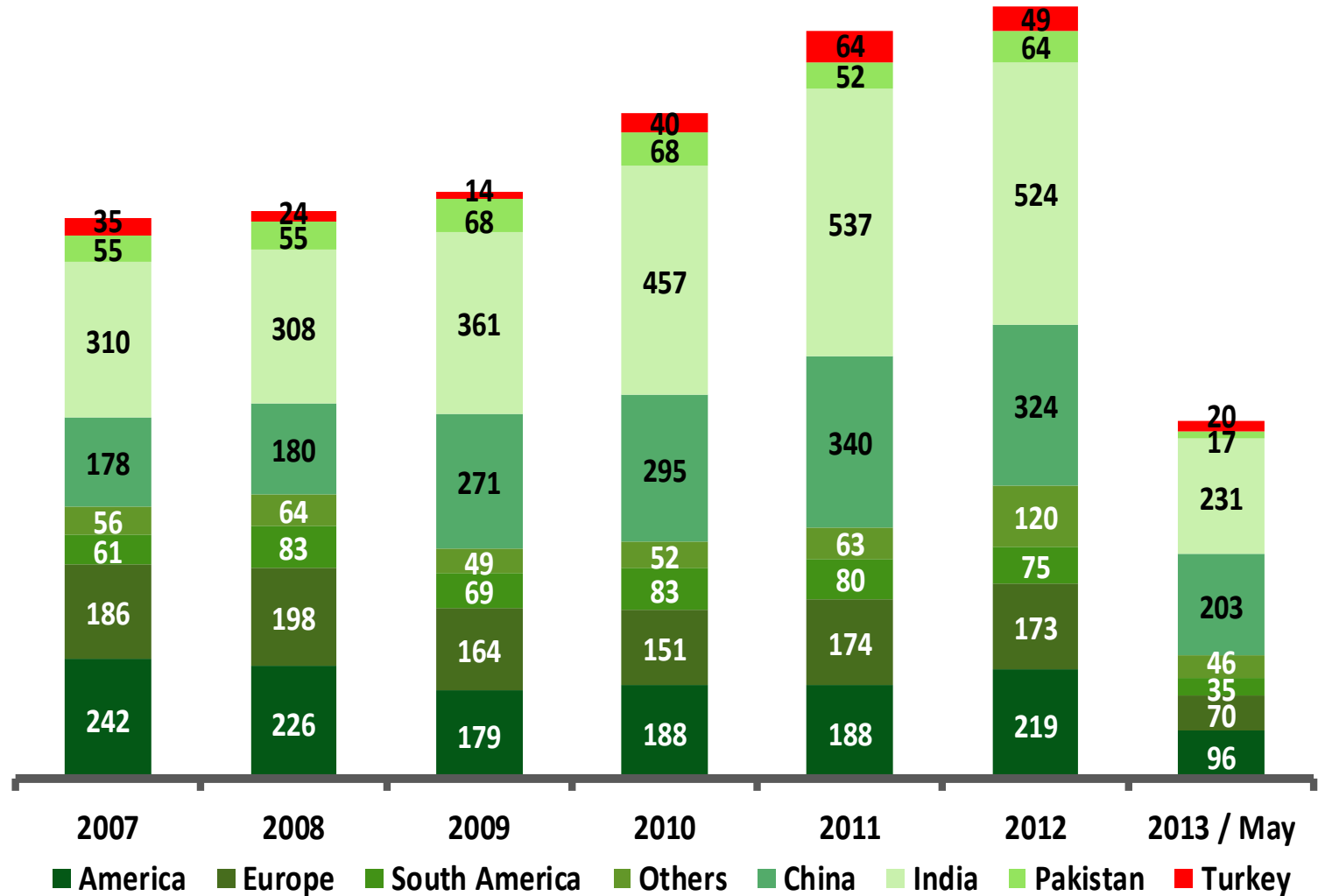
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World Tractor Market (Thousand Units)



Agricultural Sector in Turkey

- Turkey is;

6th biggest country in terms of number of sold tractors in 2012

7th biggest country with 63 billion US dollar in terms of agricultural income

8th biggest country in terms of cultivated area

- The objective for 2023; reach to 150 billion US dollar for agricultural income and 50 billion US dollar for agricultural export.
- The tractor park in Turkey is around 1.5 million units and 55% is over 24 years old and need to be renewed.



Latest Developments

- In January and February, Ziraat Bank did not announce the subsidized loan rates, but the commercial banks were active.
- In the absence of Ziraat Bank loans, we started Koç Finance campaign for TDD/JX series and we have got positive reaction.
- Ziraat Bank tractor loan announcement came out better than expectation in the second week of March. They reduced the interest rate from 1.25 to 1%, re-introduced the subsidy of 50% on all loans like in 2011 with a reduction in commission rates.
- The government supports which is 17% higher than last year, retail finance availability and interest rate level are supporting our business.



Latest Developments

- Retail demand at end of May is 13% down compare to last year same period.
- Due to last year weak harvest the cash position of the farmers at the beginning of the year was not good, they had some debt not allowing them to have access to credit. They have also waited to see the spring rainfall to have a better understanding of their 2013 income. We received expected spring rainfalls in May, which is good for grain yield expectation.
- Farmer's purchasing appetite still lower than the previous year and they are very cautious in this season mainly due to political environment.



Latest Developments

- In June, grain (barley, wheat) harvest has started in Turkey and in general yield performance is 15% - 20% higher than the last year. Grain prices are also 10% higher than the last year. Not only grain but also yield expectation of maize, sunflower, rice, cotton is also high. In general vegetable and fruit yield also satisfactory. Commodity prices in general 10-20% higher than last year.
- We are expecting that the tractor demand will increase in the autumn not only for brand new tractors but also for second hand tractors.





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Highlights

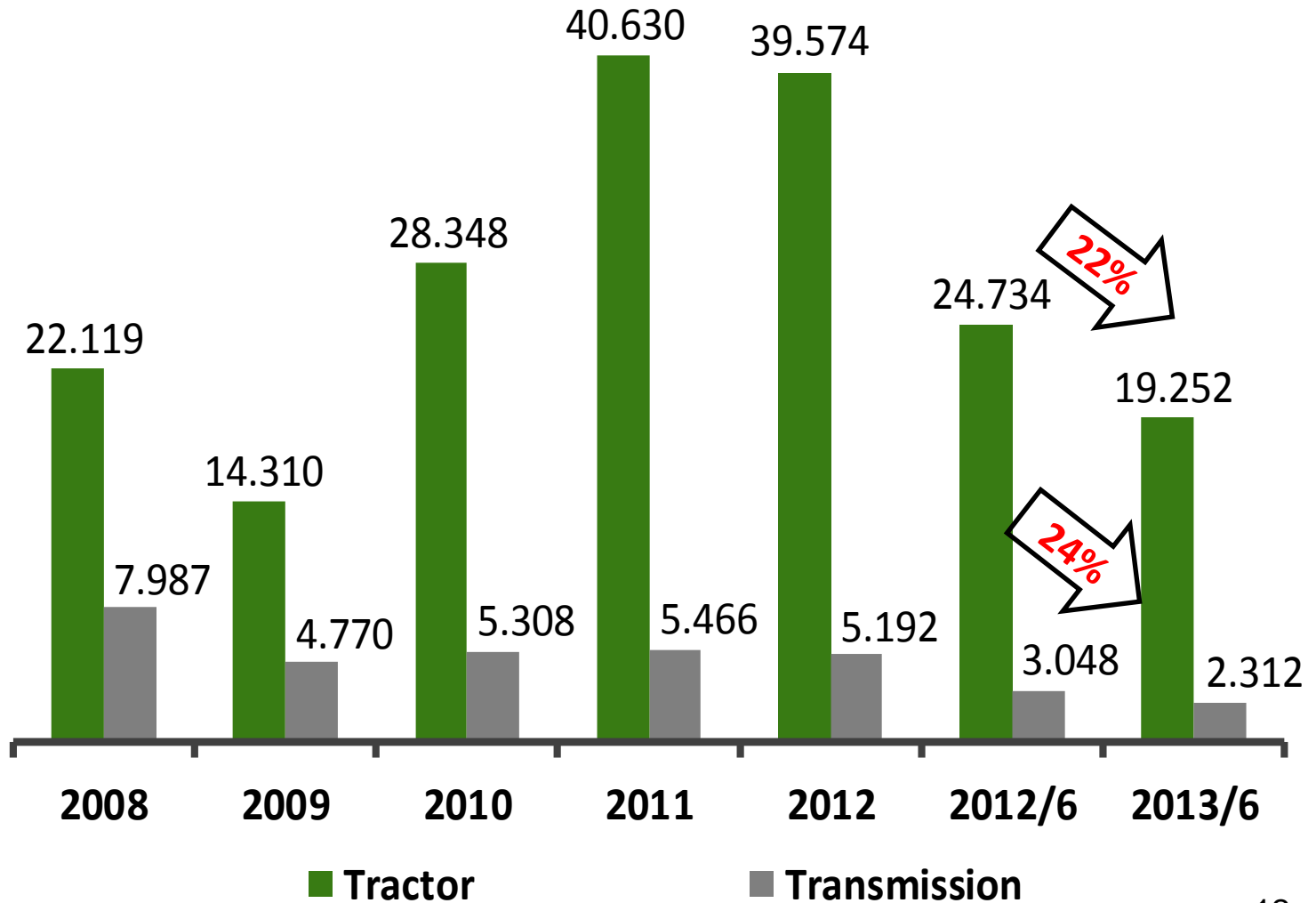
Total Tractor Market (2013/5)*	18.799 units
Local Tractor Sales Units (2013/6)	11.968 units
Export Tractor Sales Units (2013/6)	7.079 units
Manufactured Tractor Units (2013/6)	19.252 units
Total Employment (2013/6)	2.547 person
R&D Employees (2013/6)	88 person

* TURKSTAT Traffic Registration Data



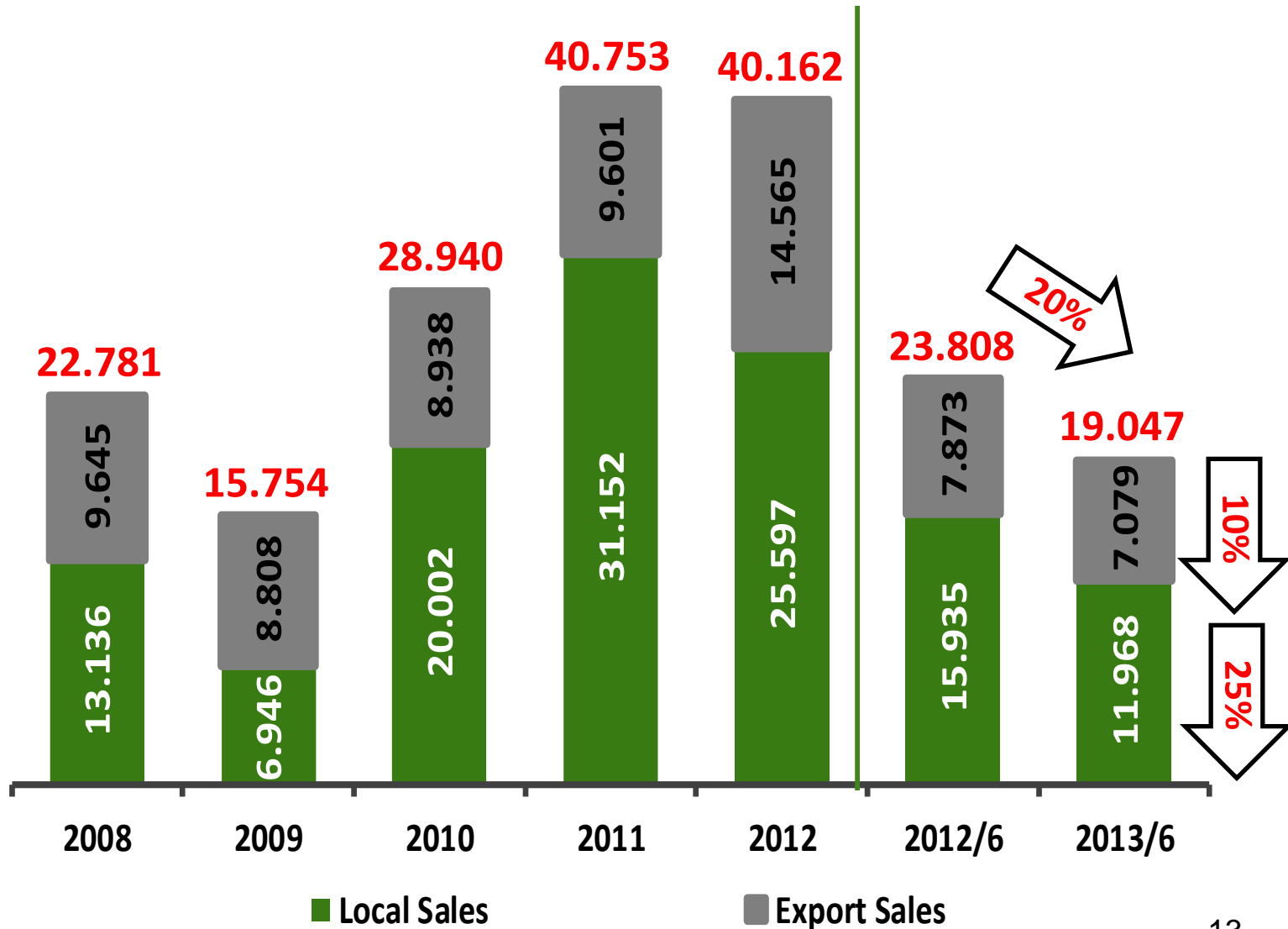
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Manufacturing Units



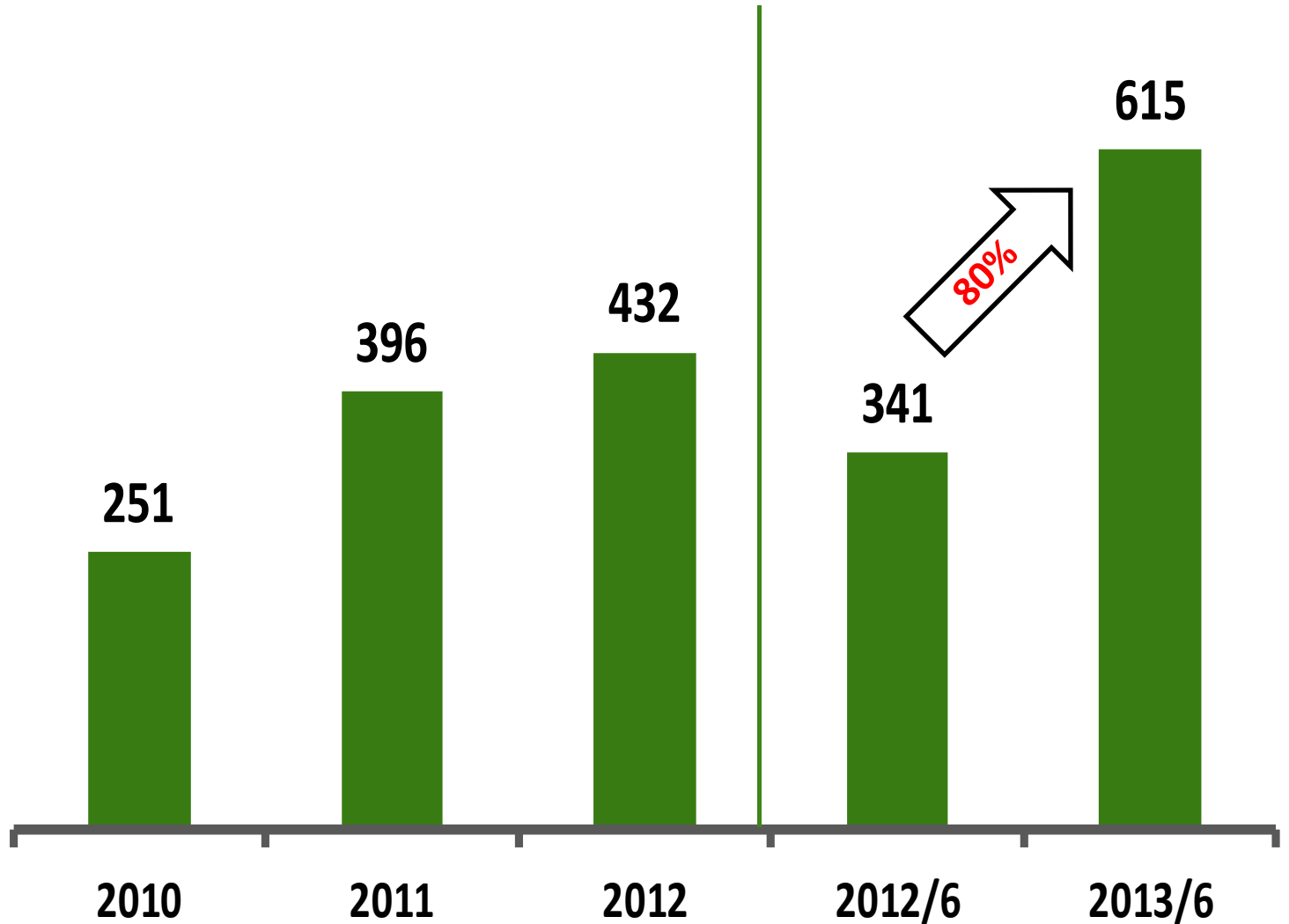
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Total Tractor Sales (Units)



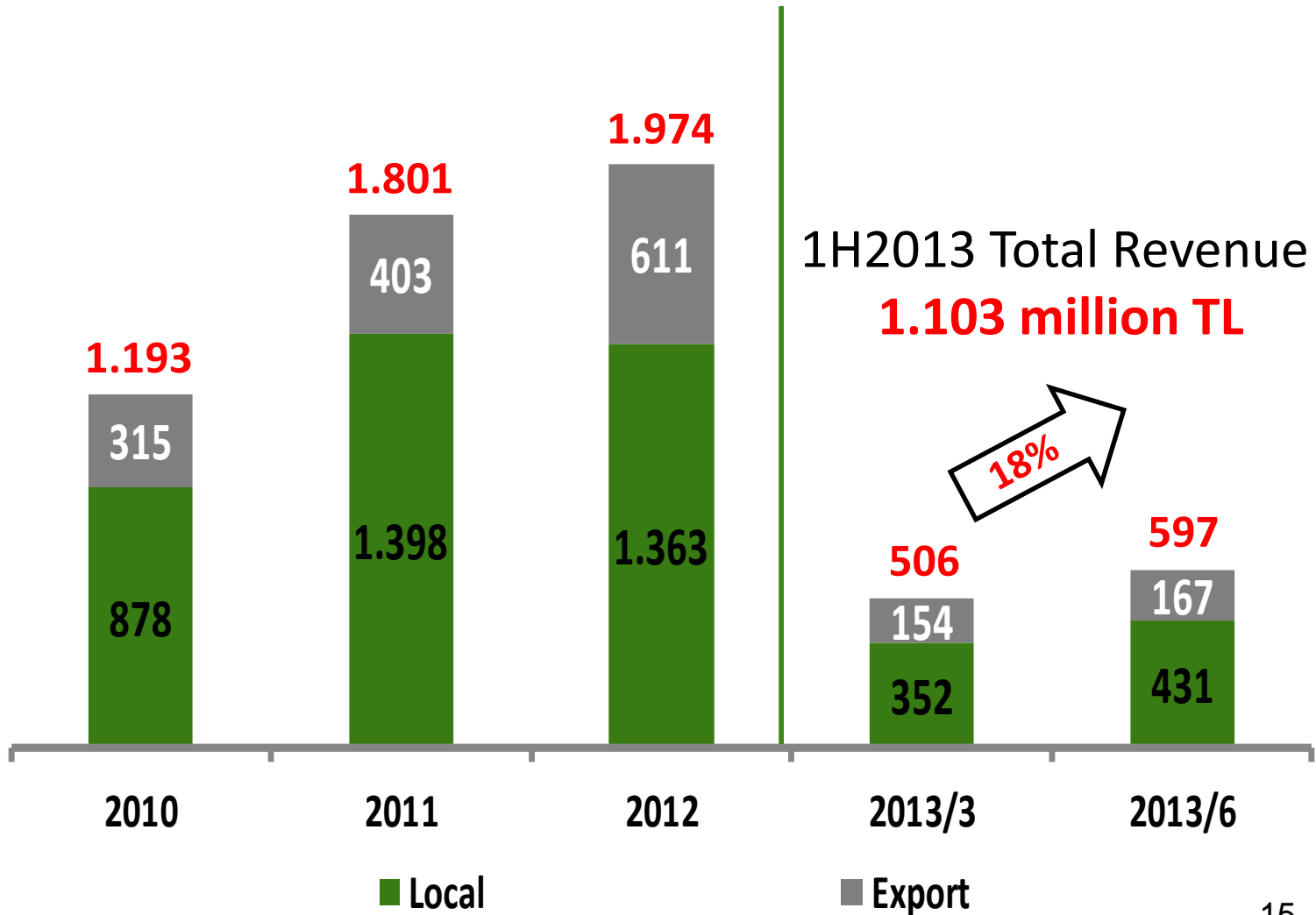
Operational & Financial Performance

Combine Sales (Units)



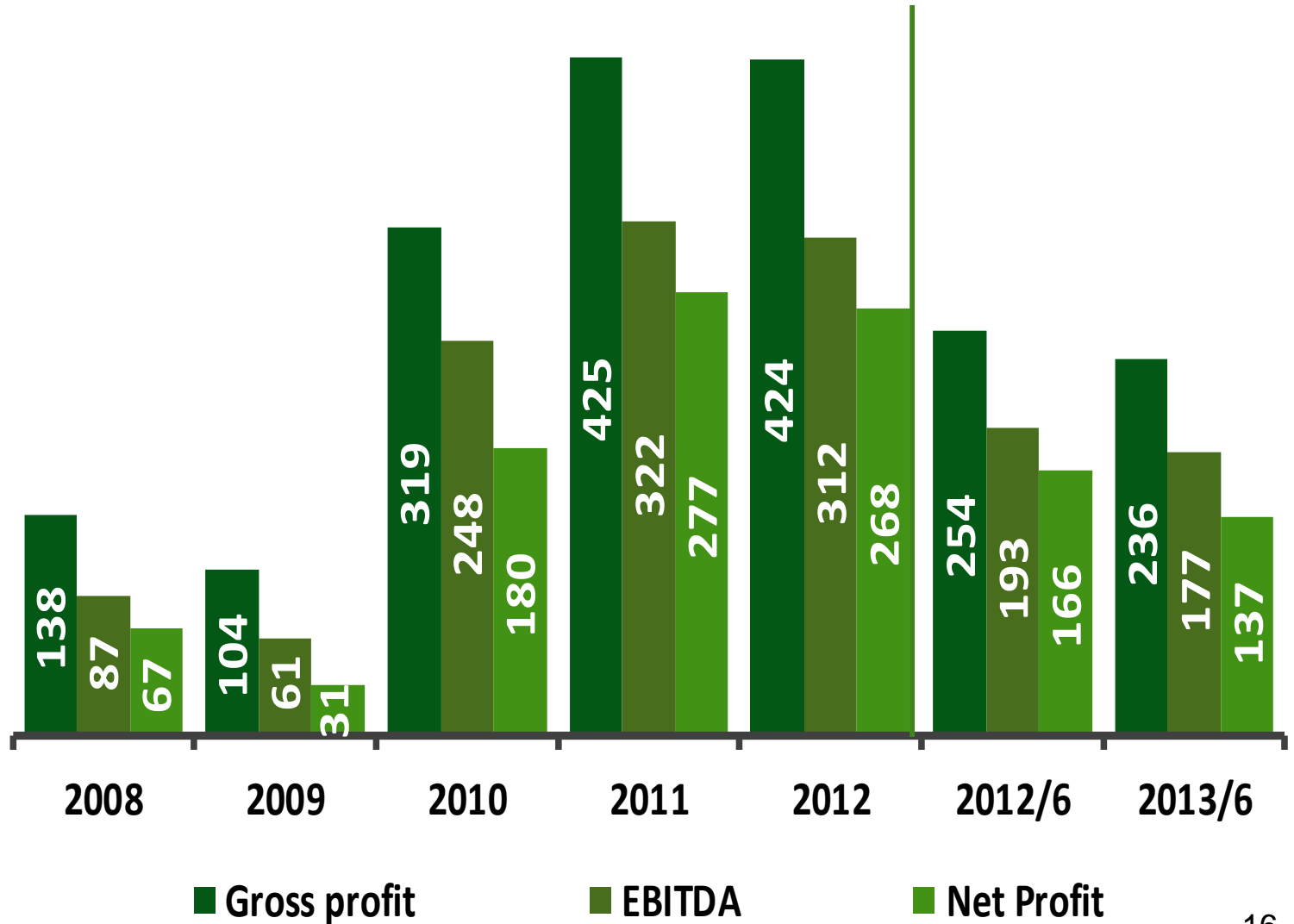
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Total Revenue (Million TL)



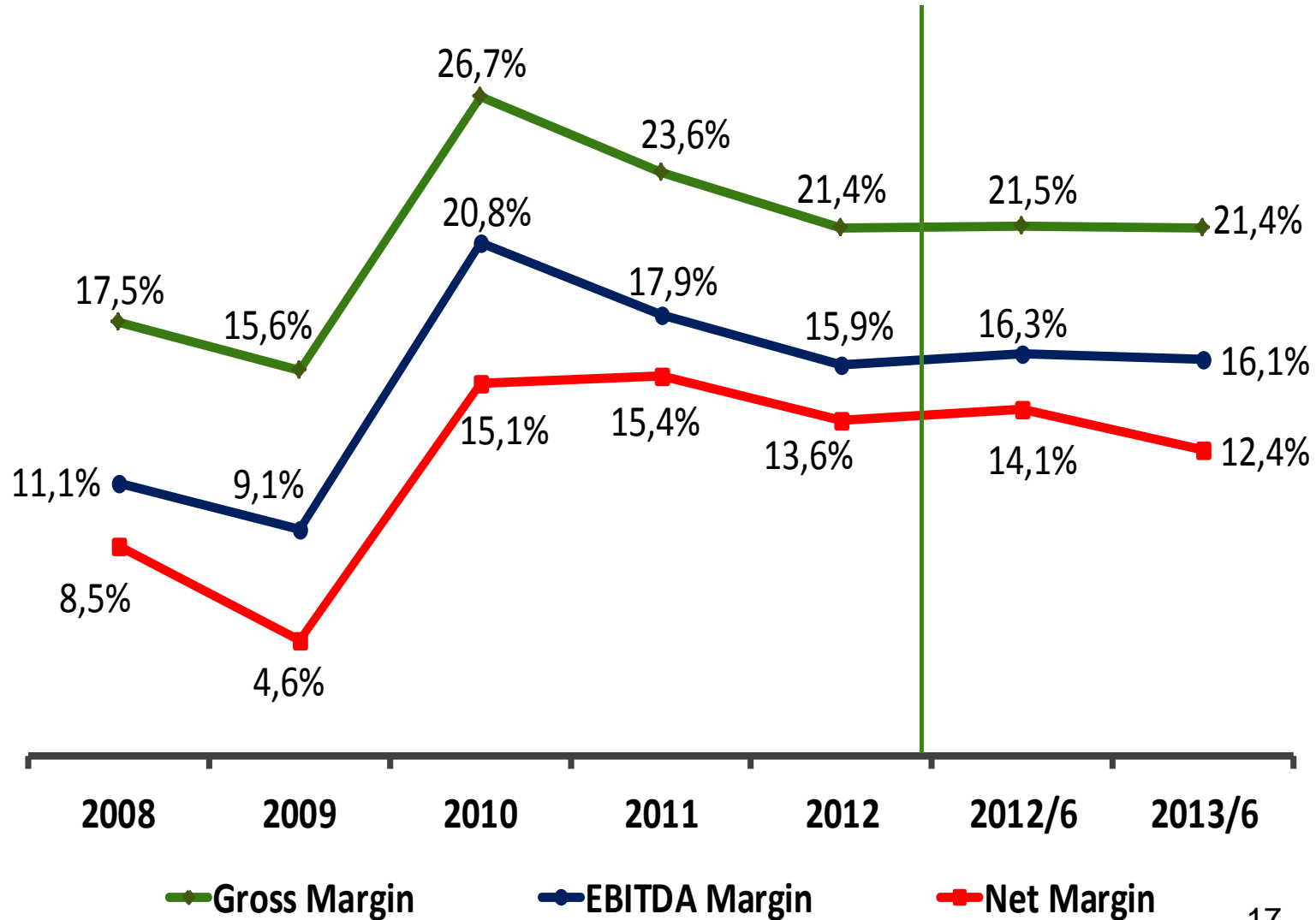
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Sustainable Profitability (Million TL)



Operational & Financial Performance

High Profitability Ratios



Operational & Financial Performance

Old Type

Non - Operating Income/Loss (TL)	2013/6		2012/6		Change	
	-	2.552.962	18.390.897	-	20.943.859	
Exchange Rate Gain		148.619.852	108.818.245		39.801.607	
Exchange Rate loss	-	152.015.519	- 98.510.656	-	53.504.863	
Fixed Asset Sale Income		190.254	5.113.161	-	4.922.907	
Others		652.452	2.970.147	-	2.317.695	

Interest Income (TL)	2013/6		2012/6		Change	
		10.615.561	27.502.739	-	16.887.178	
Time Deposit		5.881.660	4.822.703		1.058.957	
Due Date Income From Sales		4.733.901	22.680.036	-	17.946.135	

Financial Expense (TL)	2013/6		2012/6		Change	
		12.051.172	25.710.244	-	13.659.072	
Interest Expense		8.727.771	7.686.953		1.040.818	
Due Date Fin. From Cogs		3.323.401	18.023.291	-	14.699.890	



Operational & Financial Performance

New Type

	2013/6	2012/6	Change
Non - Operating Income/Loss (TL)	3.613.753	8.894.788	- 5.281.035
Exchange Rate Gain from Trade Rec / Pay.	117.048.794	73.322.384	43.726.410
Exchange Rate Gain	31.571.058	35.495.861	- 3.924.803
Exchange Rate Loss from Trade Rec / Pay.	- 111.913.231	- 77.263.409	- 34.649.822
Exchange Rate loss	- 40.102.288	- 21.247.247	- 18.855.041
Others	7.009.420	- 1.412.801	8.422.221

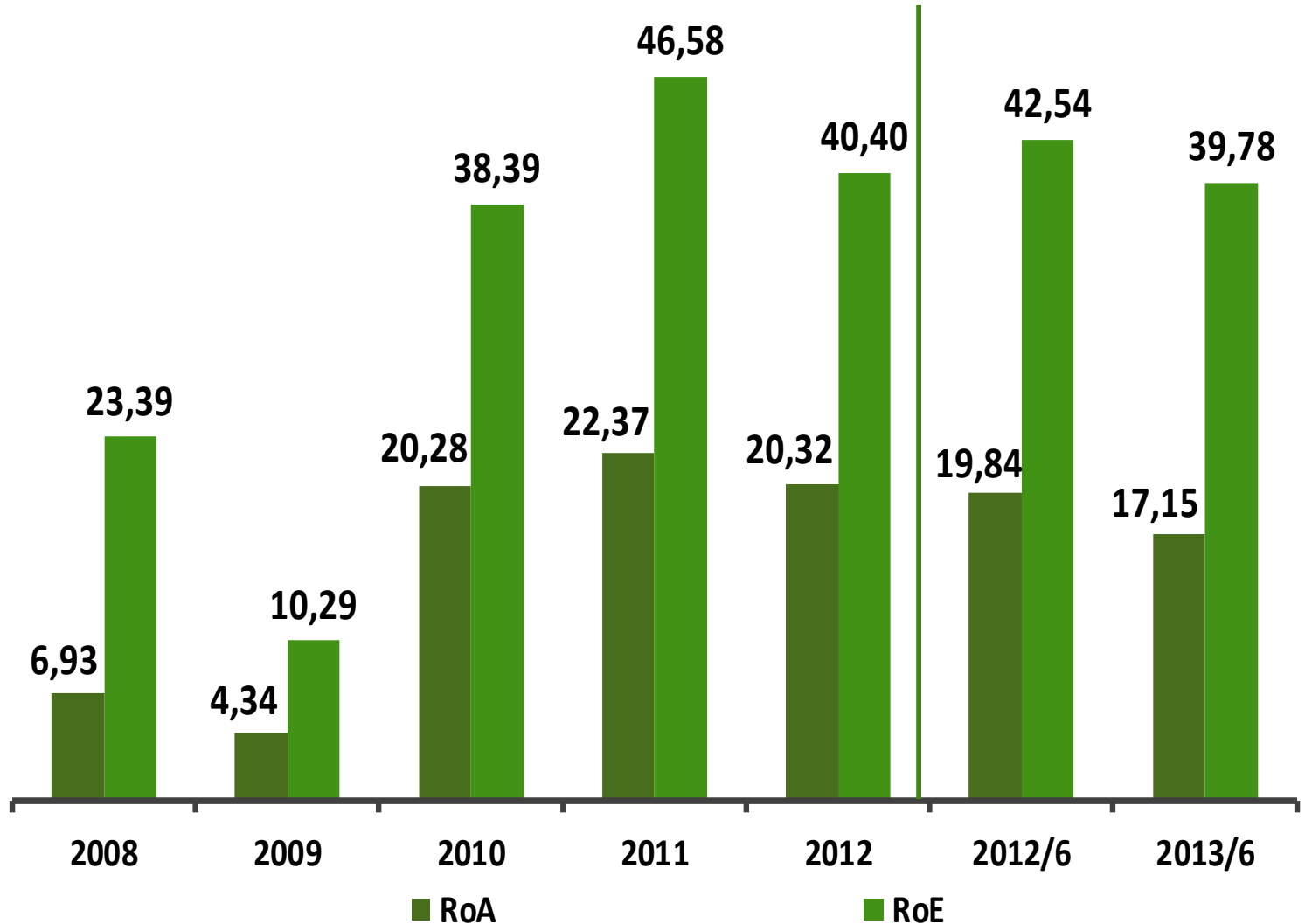
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Time Deposit	5.881.660	4.822.703	1.058.957
Due Date Income From Sales	4.733.901	22.680.036	- 17.946.135

	2013/6	2012/6	Change
Financial Expense (TL)	10.177.220	24.885.286	- 14.708.066
Interest Expense	6.853.819	6.861.995	- 8.176
Due Date Fin. From Cogs	3.323.401	18.023.291	- 14.699.890



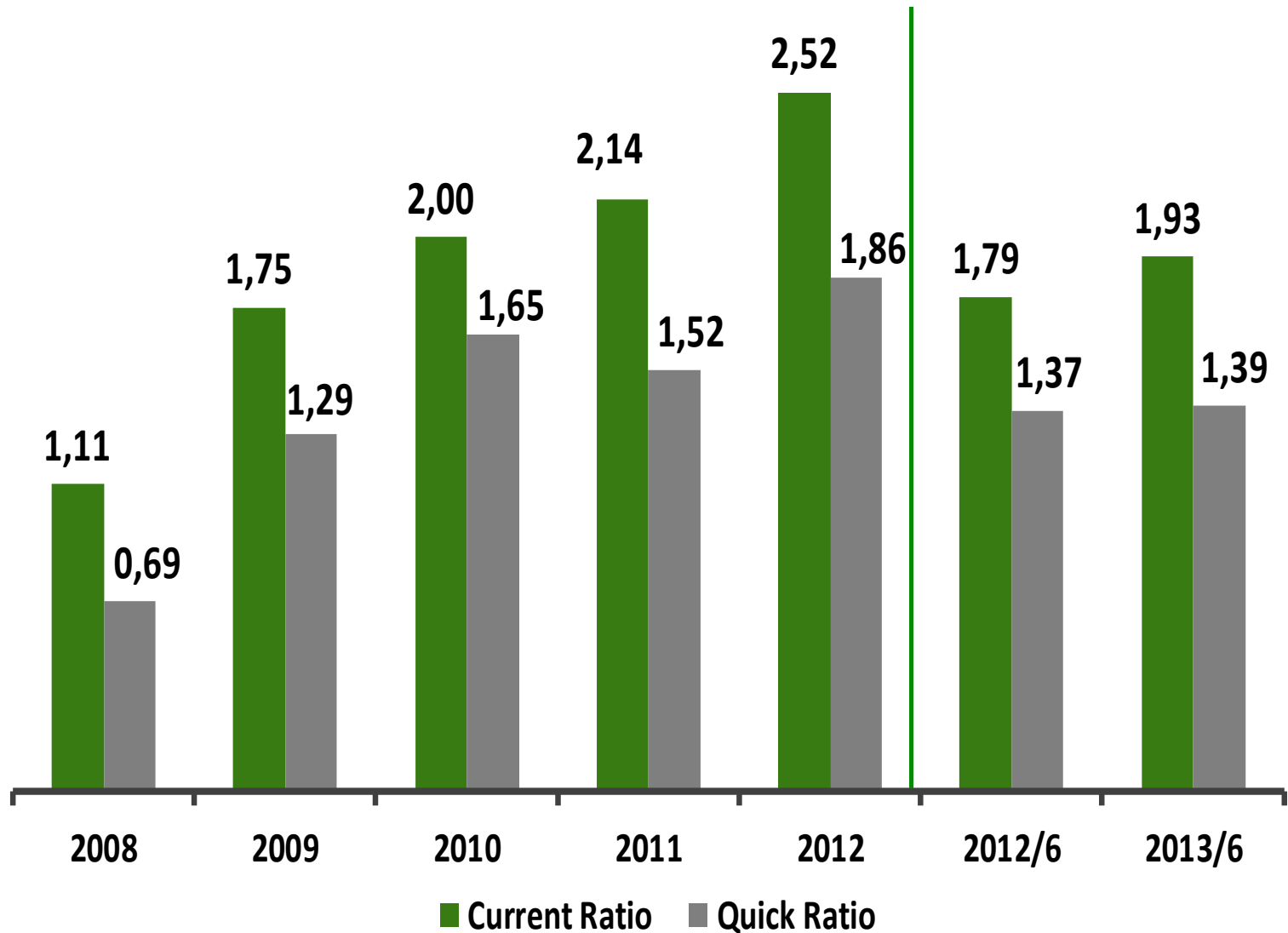
Operational & Financial Performance

High Profitability Ratios



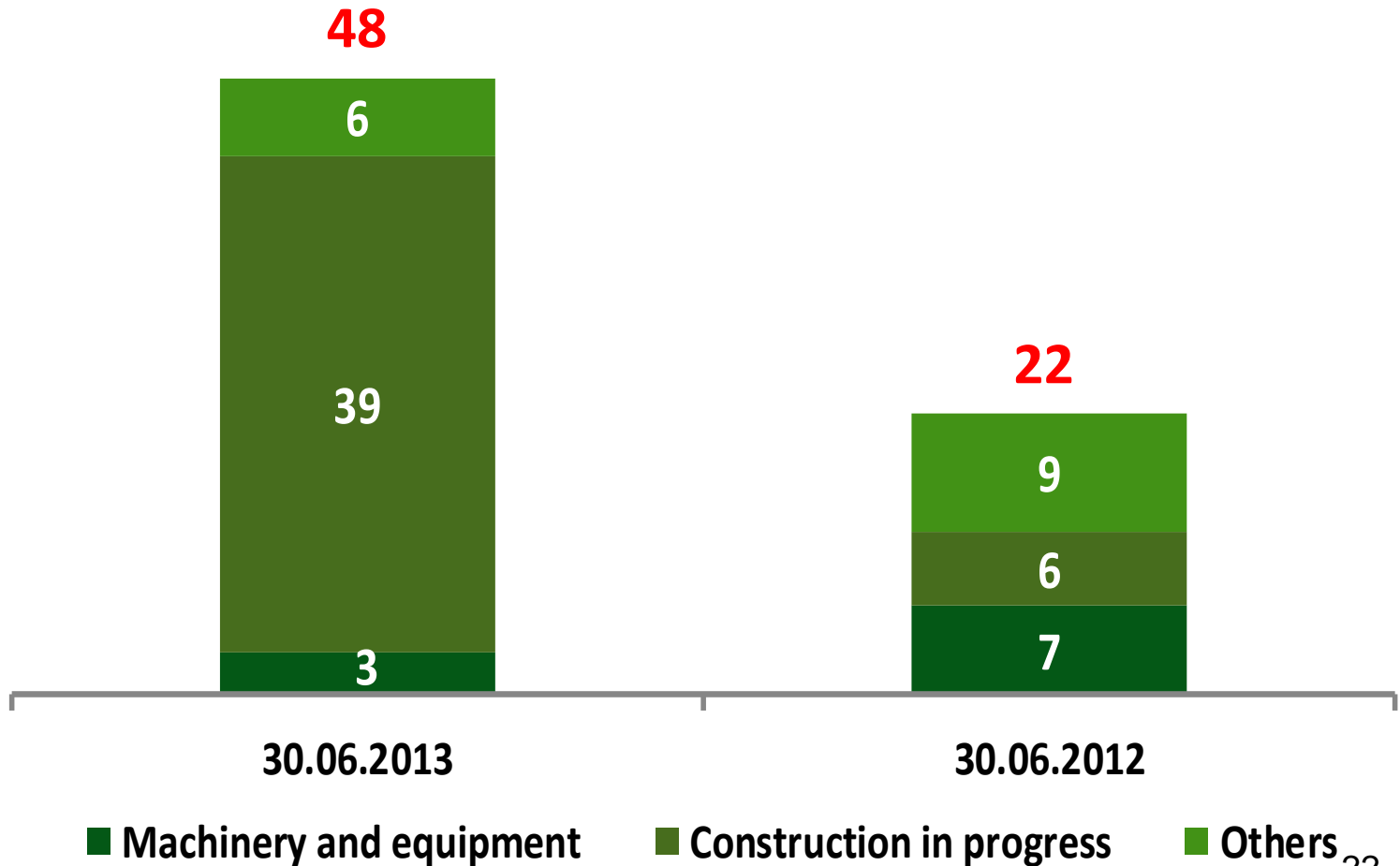
* Net Profit, Last 12 months.

Operational & Financial Performance



Operational & Financial Performance

Capital Expenditures (Million TL)



■ Machinery and equipment

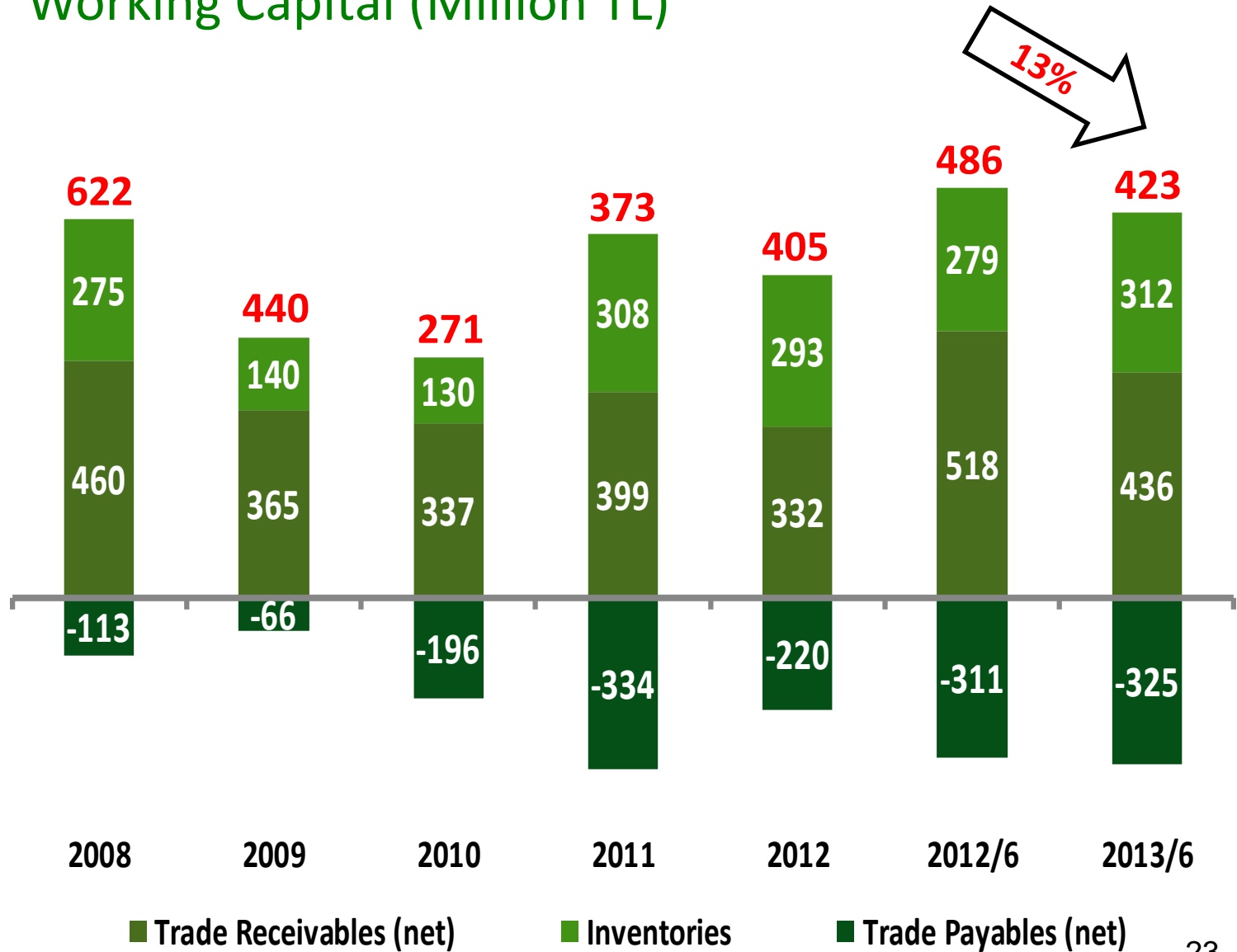
■ Construction in progress

■ Others ²²



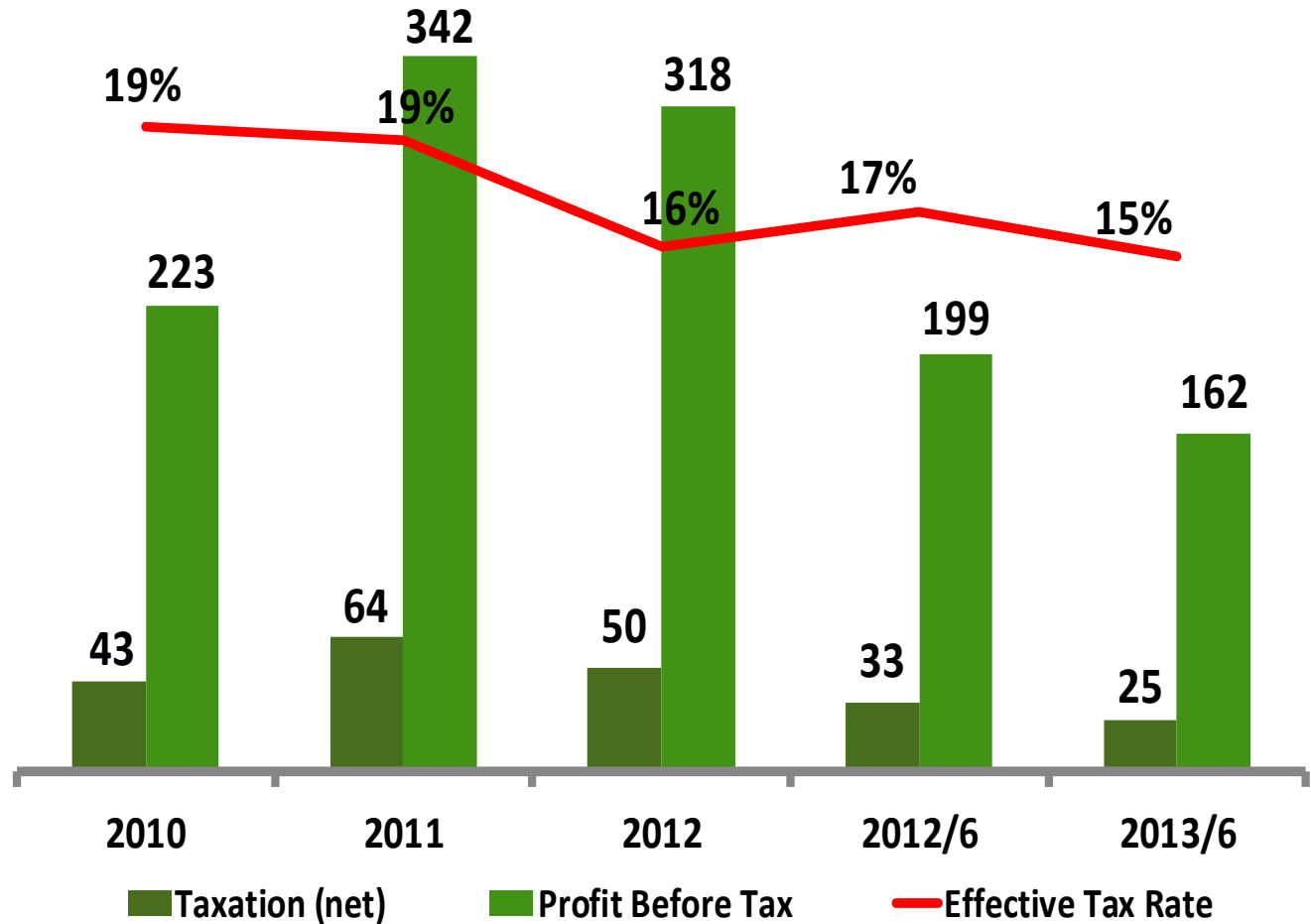
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Working Capital (Million TL)



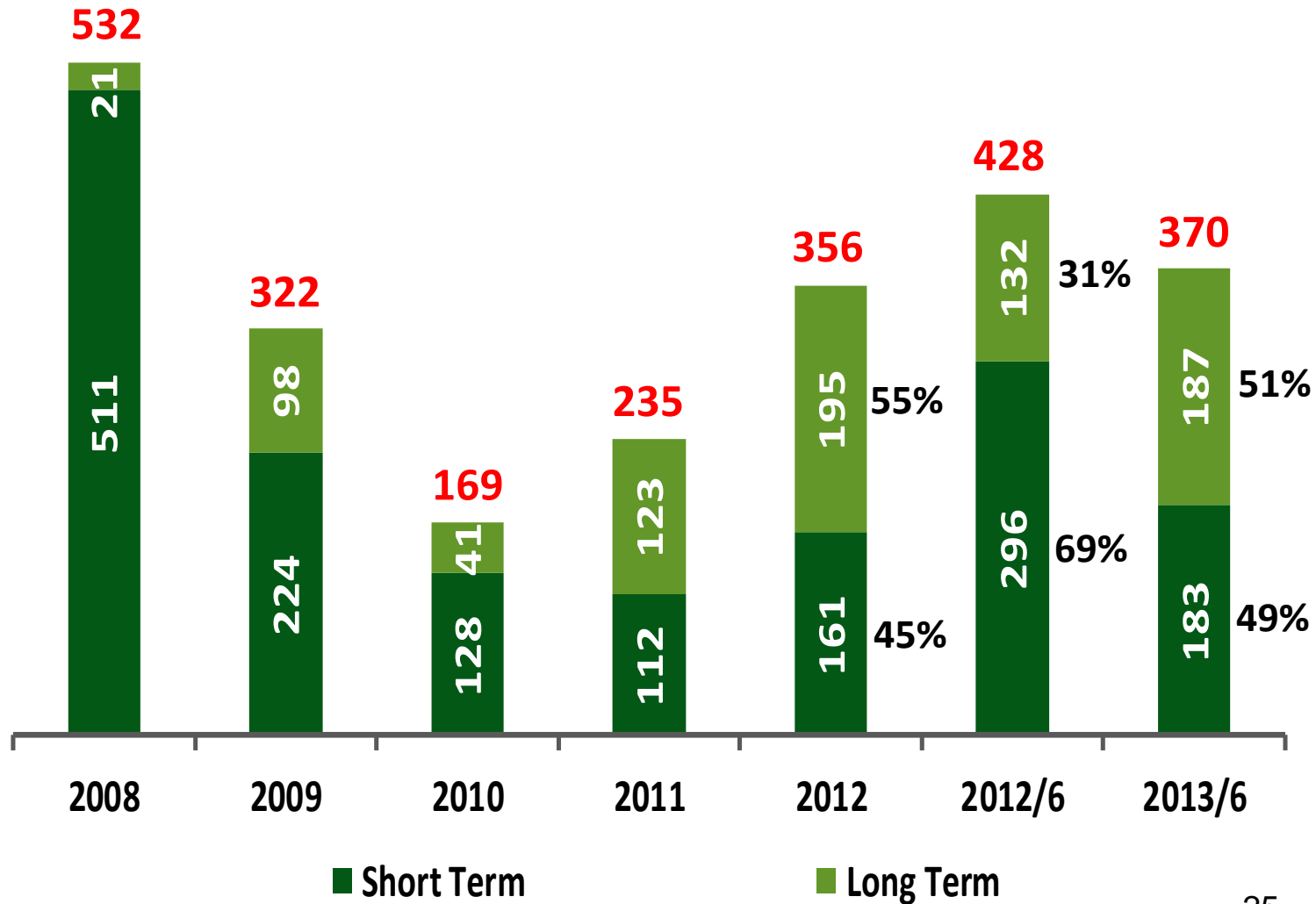
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Taxation (Million TL)



Operational & Financial Performance

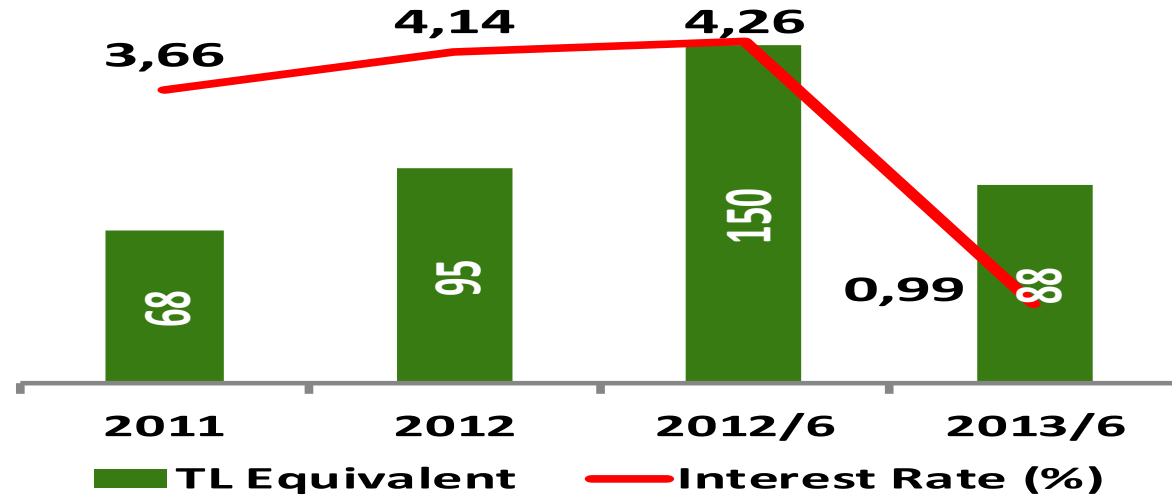
Financial Liabilities (Million TL)



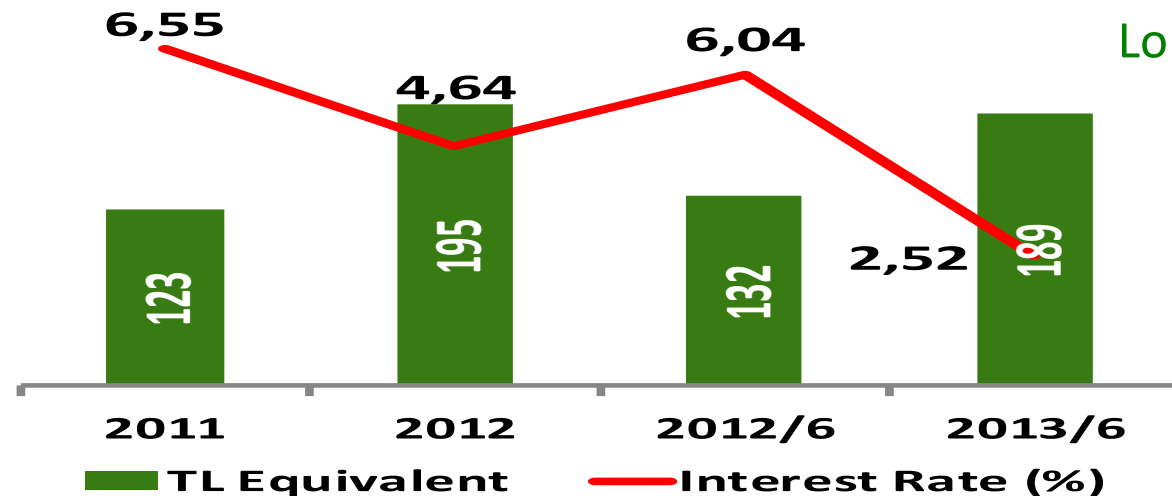
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Financial Liabilities (Million TL)

Short Term

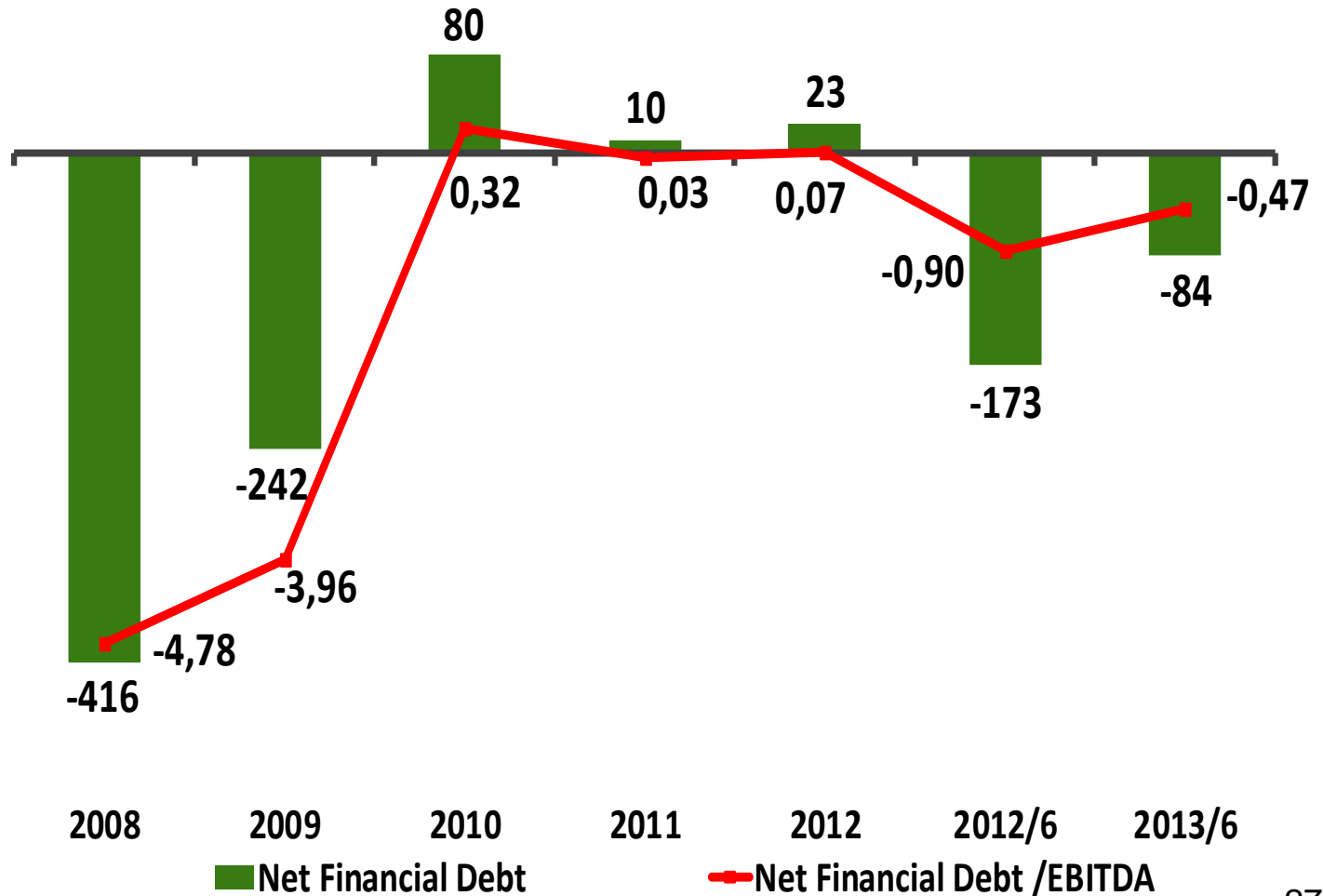


Long Term



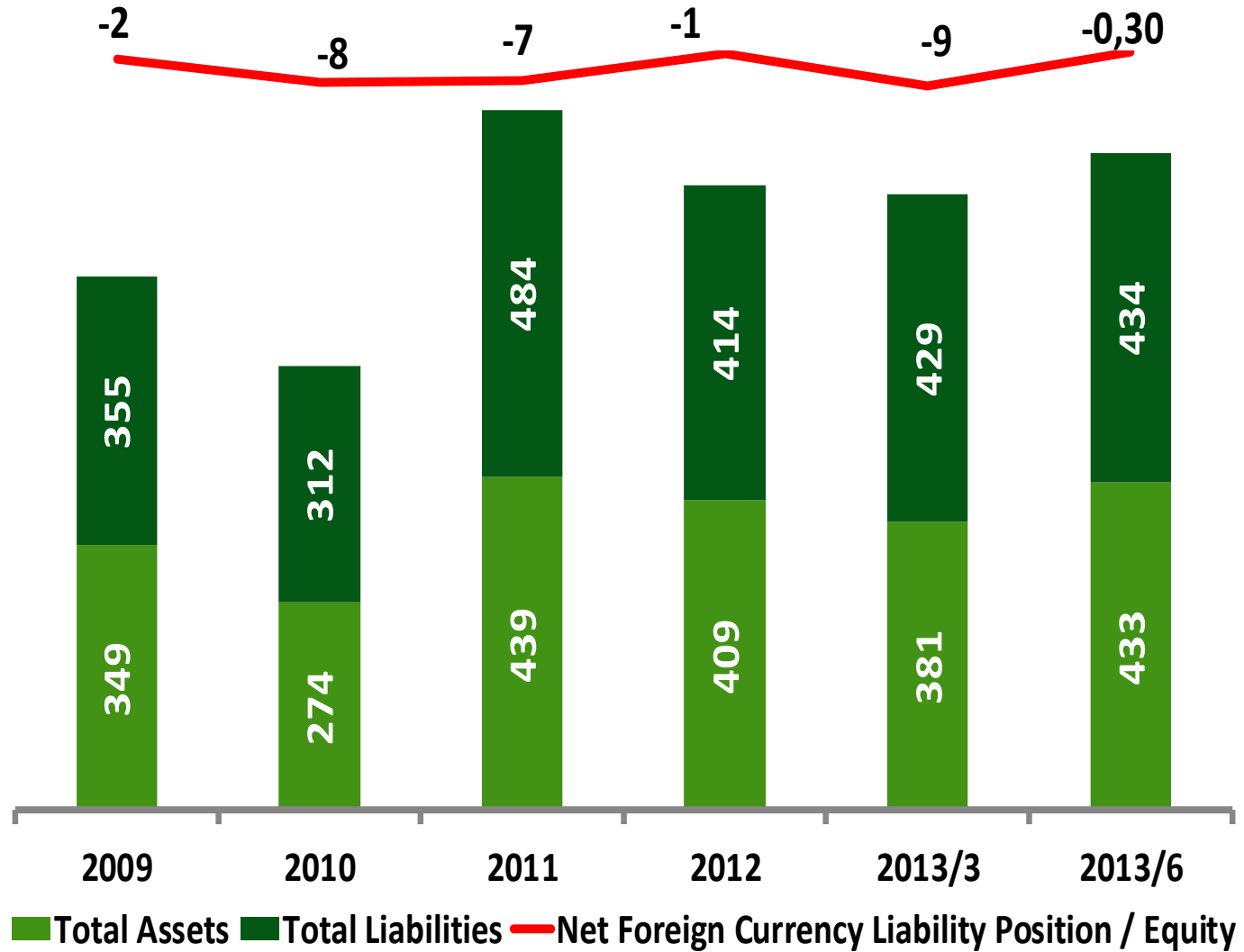
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Net Financial Position (Million TL)



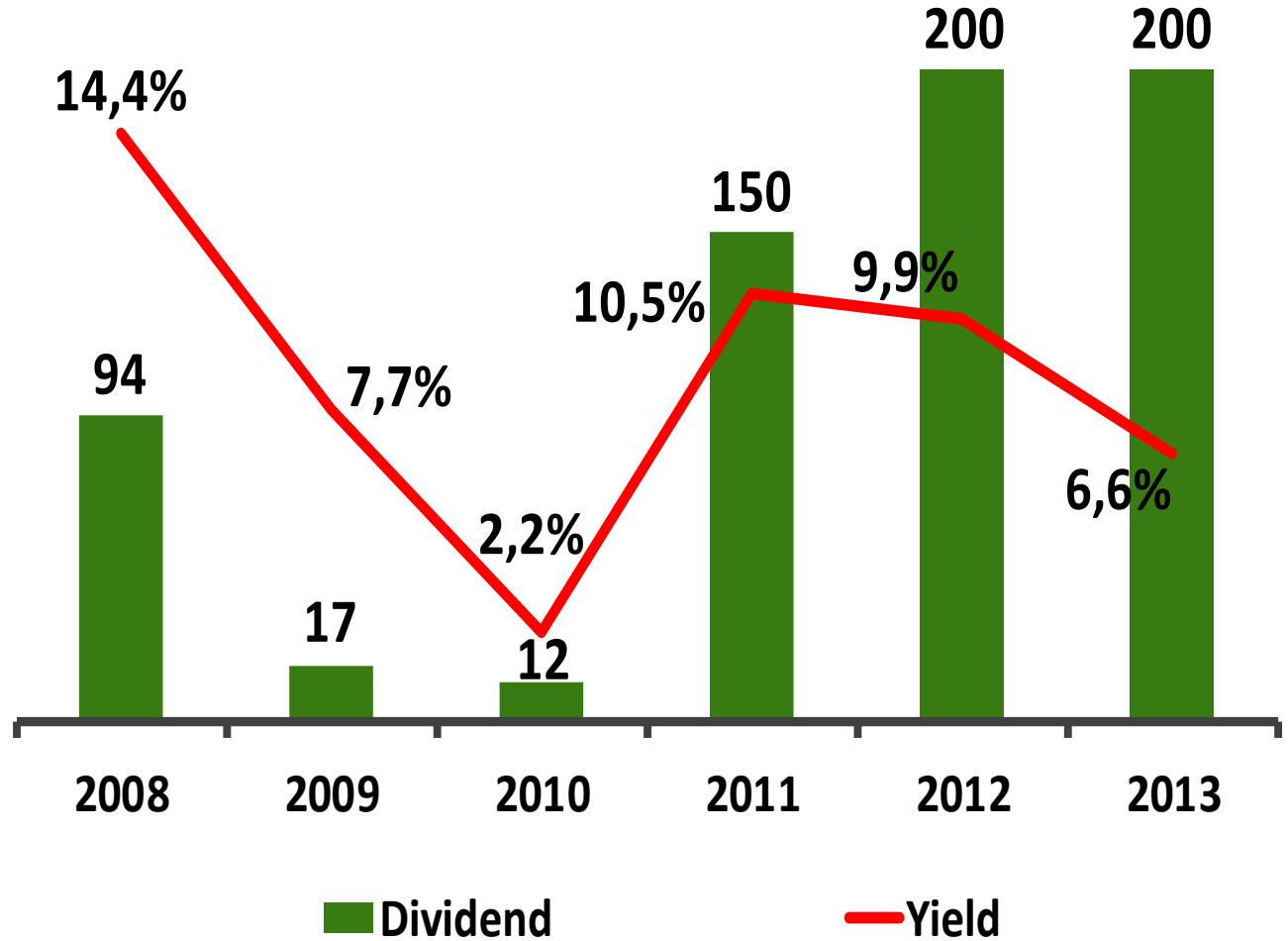
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FX Position (Million TL)



Operational & Financial Performance

Dividend (Million TL)

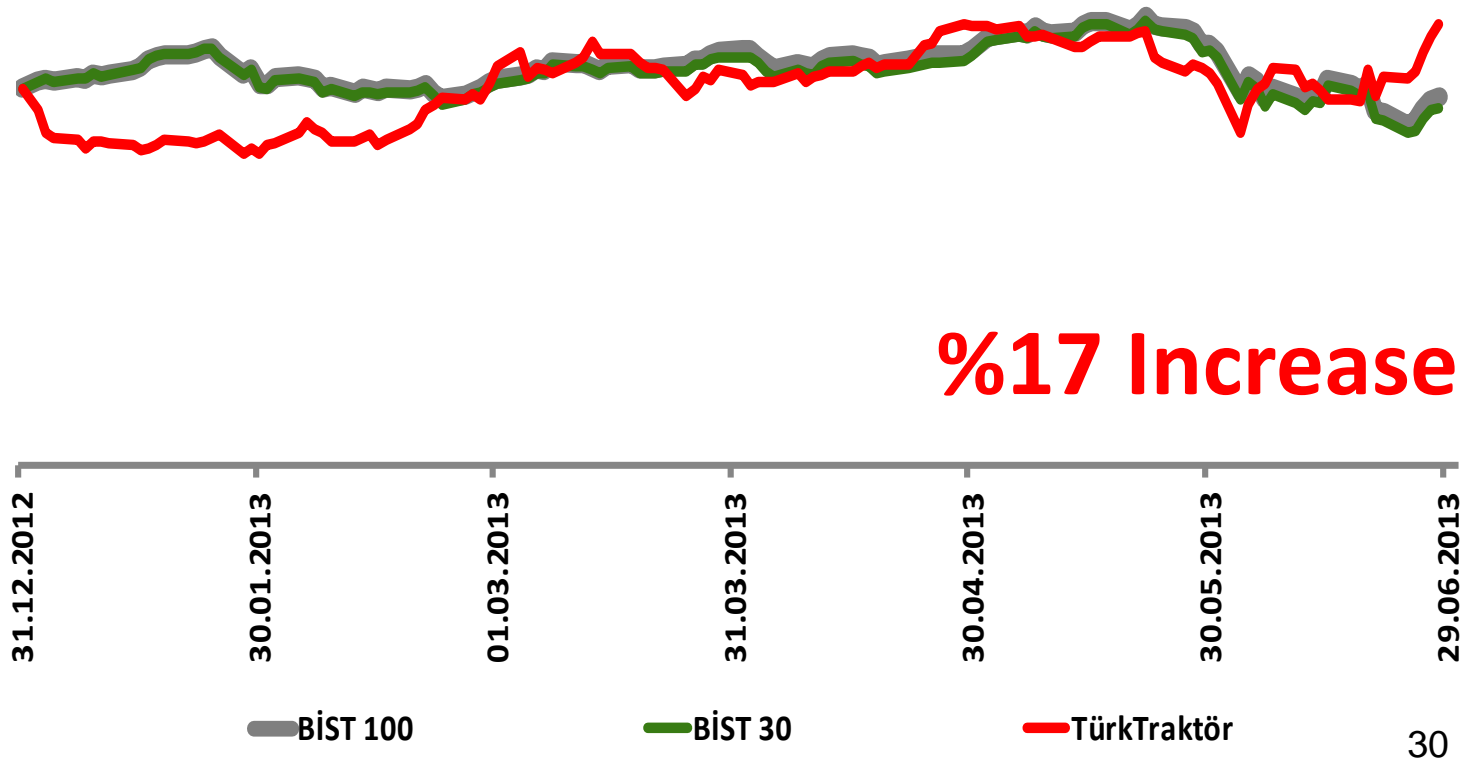


Operational & Financial Performance

Stock Performance (31.12.2012=100)

31.12.2012 Closing Price 58,25 TL

28.06.2013 Closing Price 68,00 TL



%17 Increase

31.12.2012

30.01.2013

01.03.2013

31.03.2013

30.04.2013

30.05.2013

29.06.2013

— BİST 100

— BİST 30

— TürkTraktör

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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

