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KOÇ HOLDING POSTS 153,5 BILLION TRY IN CONSOLIDATED TURNOVER AND 4,4 BILLION TRY NET PROFITS FOR THE PARENT COMPANY IN 2019**KOÇ HOLDING CEO LEVENT ÇAKIROĞLU:**

“2019 WAS A YEAR OF UNCERTAINTY AND CHANGE FOR OUR COUNTRY AND THE WORLD. DESPITE MANY CHALLENGES IN THE INDUSTRIES IN WHICH WE OPERATE IN, WE’VE CONTINUED TO MAKE INVESTMENTS TIRELESSLY. WE HAVE REALIZED MAJOR INVESTMENTS IN LINE WITH OUR GLOBAL GROWTH VISION. WITH 8,9 BILLION TRY OF COMBINED INVESTMENT IN 2019, OUR TOTAL INVESTMENT WITHIN THE LAST FIVE YEARS HAS REACHED 38 BILLION TRY. WE CONTINUE TO WORK DEVOTEDLY TOWARDS OUR GOAL OF CREATING LONG-TERM VALUE FOR OUR COUNTRY AND OUR GROUP.”

In 2019, Koç Holding generated consolidated revenues of 153,5 billion TRY and a net profit of 4,4 billion TRY for the parent company. Koç Holding CEO Mr. Levent Çakiroğlu evaluated Koç Holding’s financial results for 2019: “2019 was a year of uncertainty and change for our country and the world. Despite many challenges in the industries in which we operate in, we’ve continued our investments tirelessly. While maintaining our strong position in the face of uncertainties with our disciplined management approach, solid balance sheet, balanced portfolio, strong dealer network and supply chain, we continue to work devotedly in line with our goal of creating long-term value. Our constant investments over the years are the biggest indication of our belief in our country and people. With 8,9 billion TRY of combined investment in 2019, our total investment within the last five years has reached 38 billion TRY. At Koç Group, we are confidently moving towards the future with the awareness that it is our values reflected in our culture, discourse and the way we do business that differentiate us in the eyes of all our stakeholders and society.”

Levent Çakiroğlu: “We have realized major investments in line with our global growth vision.”

During his assessment of Koç Group’s activities in 2019, Mr. Çakiroğlu said: “We have left behind a year in which we experienced significant developments in line with our global growth vision, especially in the Asia Pacific region. Last month, we opened the Voltbek Home Appliances consumer durables factory established with the partnership of **Arçelik**, a Koç Group company, and Voltas, a Tata Group Company, India’s largest conglomerate. In 2019, Arçelik acquired Retail Holdings, majority shareholder of Singer Bangladesh, Bangladesh’s leading consumer durables manufacturer and retail chains, which allowed us to achieve a significant position in the country. In addition to its strong overseas performance, Arçelik increased its profitability despite shrinkage in the domestic market. **Aygaz**, on the other hand, took an important step towards becoming an international player with its efforts to establish a joint venture with United Enterprises, one of Bangladesh’s largest companies, to supply, fill and distribute LPG in this country.”

Levent Çakiroğlu: “This is a time in which we have set more ambitious targets for our bank.

Stating that with the termination of the partnership carried on between Koç Group and UniCredit; Koç Group has become the largest shareholder of Yapı Kredi and a new era has started for the bank, Çakiroğlu said: “This is a time in which we have set more ambitious targets for our bank. Yapı Kredi will continue to grow stronger in the next period.” Çakiroğlu continued his 2019 assessment of Koç

Group companies as follows: “Despite the planned maintenance and improvement operations of its Izmit Refinery Fuel Oil Recycling Facility, **Tüpraş** increased its production by 9.4 percent compared to the year-end 2018, achieving 28.1 million tons with a capacity utilization rate of 97.8 percent. It aimed to create added value through supply chain and sales activities, supporting its import and export operations with the London Trading Office, opened in 2019. Meanwhile, **Ford Otosan** produced and exported the Ford Transit Custom rechargeable hybrid electric vehicle, a first in its segment. With its Fiat brand, **Tofaş** lead the Turkish automotive market in 2019 with a share of 15.9 percent. As in the last three years, Egea was once again Turkey’s most popular car in 2019. **Otokar**, a pioneer in the automotive and defense industry, increased the share of exports in its turnover to 80 percent in 2019. **TürkTraktör**, which has been involved in the agricultural machinery since 2013, started to manufacture the Case and New Holland backhoe loaders at its Ankara factory.

Levent Çakıroğlu: “Recognizing the tangible outputs and returns of our Digital Transformation Program boosts our courage and confidence for new projects in this field.”

Mr. Çakıroğlu, remarked that Koç Group focused on increasing its competitiveness and developing its technology and innovation capabilities in 2019 and continued, “As I emphasized at the panel I attended at the World Economic Forum 50th Annual Meeting in Davos this year, we are moving forward with our Digital Transformation Program with the goal of creating a new culture that is more agile, innovative, open to collaboration and customer-centric across all our companies. Digital transformation is one of our top Group-wide priorities. We founded KoçDigital to provide efficient expertise in digital transformation to our country and community. KoçDigital meets the needs of Koç Group companies and serves non-group companies in fields of advanced data analytics and IoT such as artificial intelligence, machine learning. In 2019, the World Economic Forum made us feel proud by welcoming Ford Otosan’s Gölcük plant and Arçelik’s plants in Romania into its Global Lighthouse Network. Recognizing the tangible outputs and returns of our Digital Transformation Program boosts our courage and confidence for new projects in this field.

Levent Çakıroğlu: “We have left behind the 50th year of the Vehbi Koç Foundation.”

Mr Çakıroğlu told, “Vehbi Koç Foundation has continued to be a driving force of social development in Turkey for the past 50 years with its institutions and organizations,” and continued, “Opened in 2010 to provide a sustainable production and exhibition infrastructure in the field of contemporary art under the roof of the Foundation, Arter moved to its new building in Dolapdere in 2019, which was Foundation’s 50th anniversary. It has brought a breath of fresh air to the arts and culture scene with its 18,000-square-meter closed area, exhibition areas, performance halls, and learning and activity areas. The Arter building located on Istiklal Street, started to serve as a new exhibition space under the name Meşher. As a significant first in Turkey, Civil Society and Charity Research and Application Center (KÜSİTHAM) was established within Koç University. KÜSİTHAM, which will contribute to the understanding of civil society dynamics, will carry out interdisciplinary scientific research in the fields of civil society and philanthropy and through its educational programs it will provide guidance to those who work in related fields. In addition, within the scope of our Foundation’s educational activities, we launched a model school designed in accordance with the needs of the 21st century. After its opening ceremony with the participation of Minister of National Education Mr. Ziya Selçuk, we handed this school over to the Ministry. I wholeheartedly believe that Beykoz Koç Secondary School will introduce our country to a new education and training approach.”

Levent Çakıroğlu: “We will put an end to single-use plastic consumption at all of Koç Group’s companies in 2020.”

Emphasizing that the Istanbul Biennial, whose main sponsor is Koç Group, attracted attention to the global plastic waste problem with “The Seventh Continent” theme last year, Çakıroğlu added: “We have pledged to put an end to single-use plastic consumption at all of Koç Group’s companies and

institutions, where over 90,000 of our colleagues work, by the end of 2020. One of the subjects on our agenda in 2020 will be to end the consumption of single-use plastic across our Group.”