

**KOÇ HOLDING POSTS 114 BILLION TRY CONSOLIDATED TURNOVER AND 3.3 BILLION TRY CONSOLIDATED NET PROFITS FOR THE PARENT COMPANY IN THE FIRST NINE MONTHS OF THE YEAR**

**KOÇ HOLDING CEO LEVENT ÇAKIROĞLU:**

**“WE ARE EXPERIENCING A CHALLENGING AND UNCERTAIN ECONOMIC CLIMATE WORLDWIDE. WE MAINTAINED OUR STRONG POSITION THROUGHOUT THE FIRST NINE MONTHS OF THE YEAR THANKS TO OUR DISCIPLINED MANAGEMENT APPROACH, SOLID BALANCE SHEET, BALANCED PORTFOLIO, STRONG DEALER NETWORK AND SUPPLY CHAIN. WE ARE INCREASING OUR GLOBAL COMPETITIVENESS WITH THE DIGITAL TRANSFORMATION PROGRAM. WE CONTINUE TO MAKE INVESTMENTS TIRELESSLY AND CONTRIBUTE TO THE TURKISH ECONOMY THANKS TO OUR EXPORT PERFORMANCE. AS TURKEY’S LARGEST EMPLOYER, WE CLIMBED 59 PLACES TO NUMBER 35 IN THE FORBES’ WORLD’S BEST EMPLOYERS LIST. IT IS A REAL HONOR TO REPRESENT OUR COUNTRY IN THE TOP 100 OF THE WORLD’S BEST EMPLOYERS LIST.”**

In the first nine months of 2019, Koç Holding generated consolidated revenues of 114 billion TRY and a net profit of 3.3 billion TRY for the parent company. Koç Holding CEO Mr. Levent Çakiroğlu evaluated the financial results of the first nine months of 2019: “We are experiencing a challenging and uncertain economic climate worldwide. Trade wars, Brexit uncertainty and increasing geopolitical risks in 2019 lead to economic stagnation worldwide. At Koç Group, we maintained our strong position throughout the first nine months of the year thanks to our disciplined management approach, solid balance sheet, balanced portfolio, strong dealer network and supply chain. We are increasing our global competitiveness with the Digital Transformation Program, launched in 2016. We continue to make investments tirelessly and contribute to the Turkish economy thanks to our export performance. We are committed to developing the Group with a global vision, aiming to create long-term value.”

**Levent Çakiroğlu: “We recorded a total combined investment of 5.8 billion TRY in the first nine months.”**

Levent Çakiroğlu underlined that the Group’s activities gained momentum as they have made investments tirelessly and that they contributed to the Turkish economy with their export performance. Mr. Çakiroğlu said, “Our constant investments over the years are the biggest indication of our belief in our country and people. Koç Group have reached a total combined investment of 38 billion TRY in the last five years, with a combined investment of 5.8 billion TRY in the first nine months of this year. Koç Group companies accounted for approximately 10 percent of Turkey’s total exports, playing a significant role in reducing trade deficit. Tüpraş has invested nearly \$6.5 billion within 13 years following its privatization. It continues to meet Turkey’s fuel needs, increasing its production to 21.2 million tons in the first nine months of 2019, a growth of 11 percent year-on-year. Closely

following the opportunities in international markets, Tüpraş aims to create added value through supply chain and sales activities, supporting its import and export operations with the London Trading Office, opened in 2019. In the automotive industry, a downward trend in interest rates and inflation has led to increased domestic demand in the last few months. Designed for global markets by Tofaş, Fiat Egea was the best-selling car in the first nine months of the year. Tofaş is committed to improving the Egea family, with plans to invest \$225 million by the end of 2020. Ford Otosan, Turkey's export champion, reached a historic high with an export volume of 248.000 vehicles in the first nine months of the year.

Furthermore, Arçelik's Beko brand continued to be the first ranked in Eastern Europe, the second ranked in Western Europe and the market leader in South Africa and Romania in the January-August 2019 period. Arçelik also increased its market share in Turkey and improved its consolidated turnover in the first nine months by 21 percent year-over-year. In addition to its financial and operational success, Arçelik became the first Turkish company to be named industry leader in the Dow Jones Sustainability Index, which evaluates the sustainability performance of companies worldwide.

**Levent Çakıroğlu: "We have once more solidified the confidence in Turkey and our bank in international markets."**

Evaluating the banking industry, Levent Çakıroğlu said, "On its 75th anniversary, Yapı Kredi continues to support Turkey's economy with its strong capital structure, customer-oriented banking approach, qualified human resources and long-standing reputation. Yapı Kredi obtained \$950 million syndicated loan with the participation of 39 banks from 21 countries in the second half of the year and solidified the confidence in Turkey and the bank in international markets. Receiving a demand exceeding \$1 billion, the transaction had the most contributors among all syndicated loans in the second half of the year. Yapı Kredi has diversified its resources even further with this syndicated loan and will continue to support export in the period ahead, using the funds for financing foreign trade in particular.

**Levent Çakıroğlu: "We are happy that our efforts are being appreciated globally."**

Levent Çakıroğlu stated that they were proud of their recent consecutive global achievements and said, "As we always emphasize, we are committed to our efforts in line with the responsibility of being a reputation- and society-oriented Group. Human resources are the core of our management philosophy. We climbed 59 places to number 35 in the Forbes' recently published World's Best Employers list. We are the only company in Turkey to be listed in the top 100 of this global list. On the other hand, the Vehbi Koç Foundation received global recognition on its 50th anniversary with a significant international award for bringing dozens of pieces of art to Turkey and supporting tens of thousands of students. Celebrating its 70th anniversary, the American Turkish Society also honored the Vehbi Koç Foundation with the award for Excellence in Philanthropy. Last but not least, we recently publicly pledged to put an end to the consumption of single-use plastic by the end of 2020. This is the demonstration of our determination to solve the plastic waste problem, which is recognized as one of the most significant environmental problems associated with climate change in the 21st century. Sustainability is one of the primary issues on our agenda. We are continuously improving our performance in this area. Through all these efforts and

commitment, we will continue to support the development of the Turkish economy and society.”