

# Investor Relations Presentation

## Q1 2015 Results

Updated: July 2015

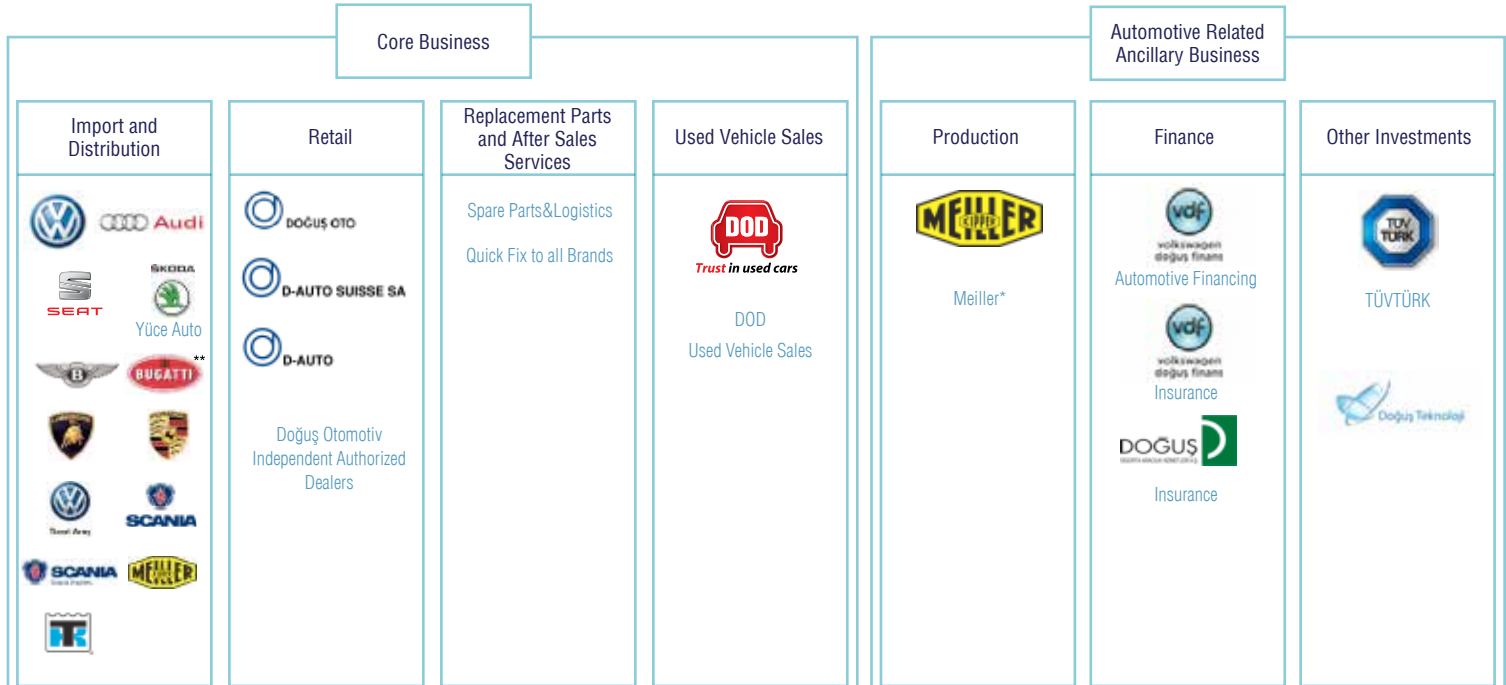


# Agenda

- Dođuş Otomotiv / Value Chain 2015
- Macroeconomic Outlook
- Automotive Market
- Financial Performance

# Doğuş Otomotiv / Value Chain 2015

## Presence in Every Link of Automotive Value Chain



\*Subsidiaries

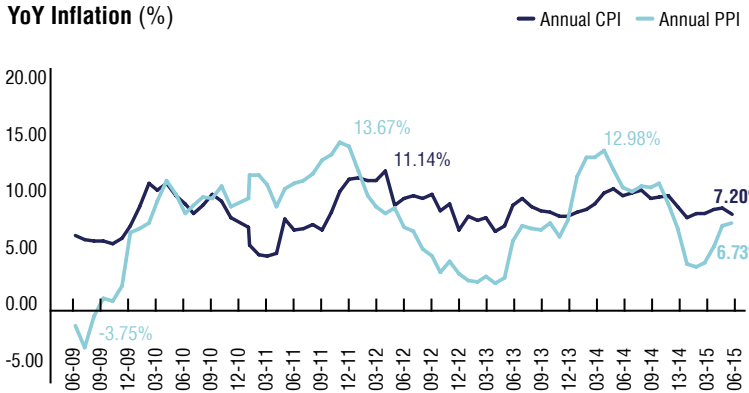
\*\*Representative Offices

# Macroeconomic Outlook

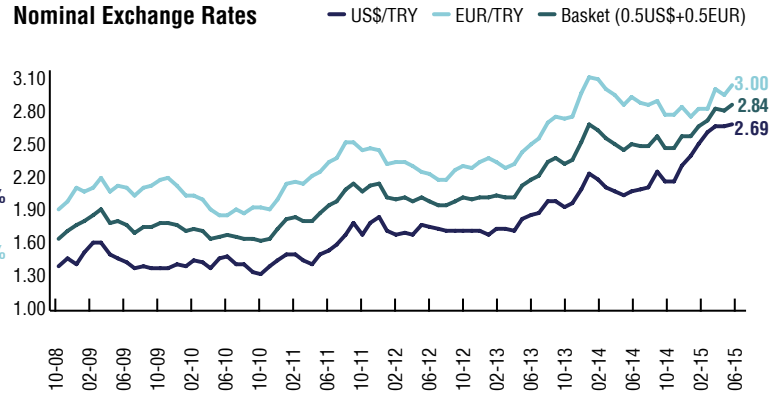


# Macroeconomic Indicators

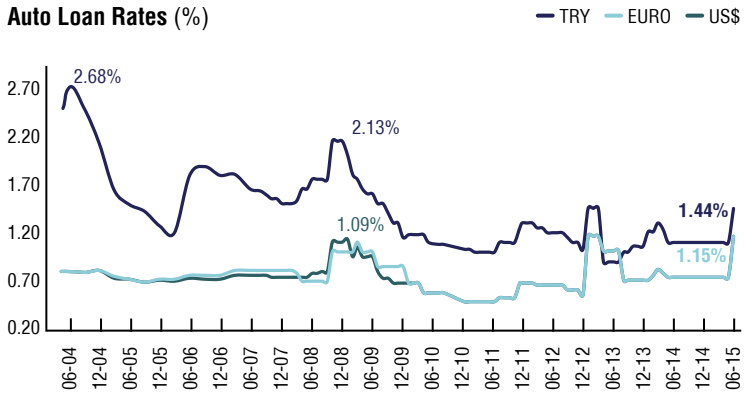
YoY Inflation (%)



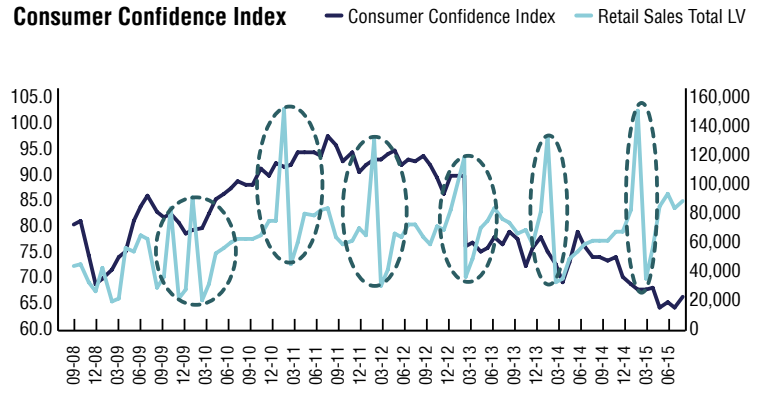
Nominal Exchange Rates



Auto Loan Rates (%)

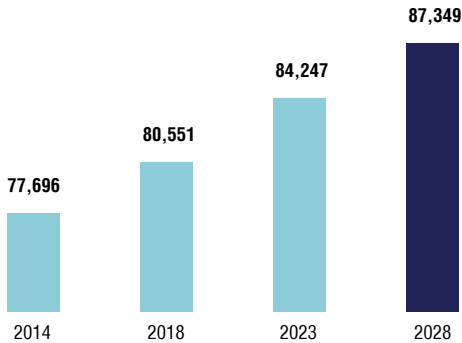


Consumer Confidence Index

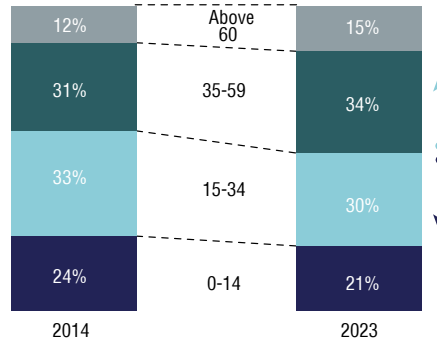


# Population & Demography

## Population Statistics ('000)

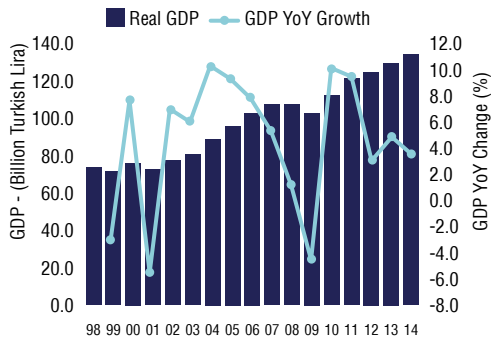


## Age Demography

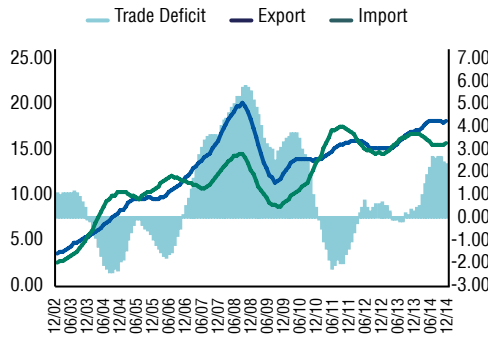


- Young population and fiscal reforms push the country towards stable and sustainable growth.
- Population is increasing on an average 1.5% each year.
- 64% of population will be between the age group 15 to 59 years.
- Share of people in the age group between 35 to 59 will increase by 3%.

## Economy



## Auto Industry Trade Balance (US\$ bn)



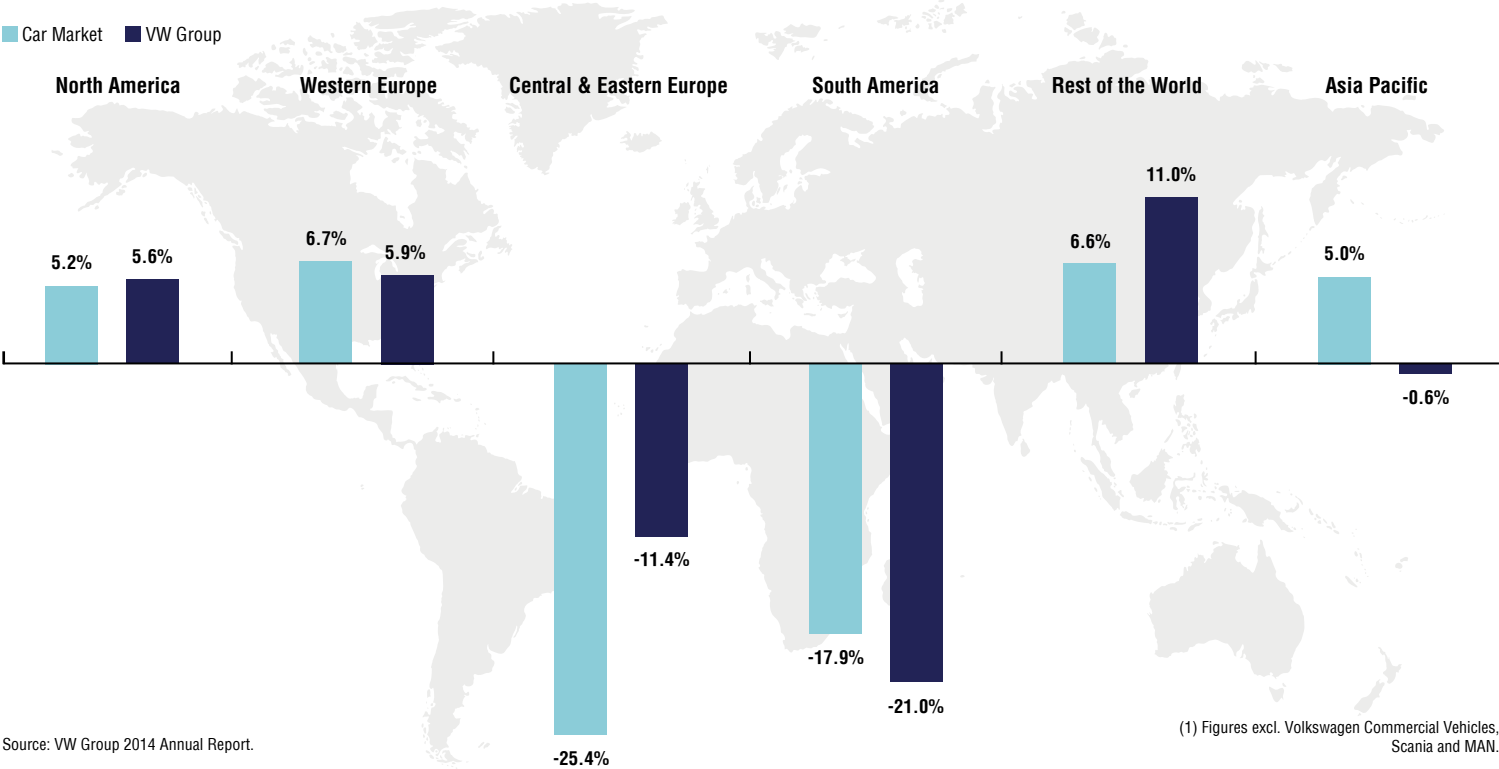
Note: All figures are rounded; the base years is 2009.  
Source: IMF, TurkStat, Frost Sullivan

# Automotive Market



# Development world car market vs. Volkswagen Group Car Deliveries to Customers<sup>(1)</sup> (Growth y-o-y in deliveries to customers, January to May 2015 vs. 2014)

World Car Market: 2.7% VW Group: 0.3%



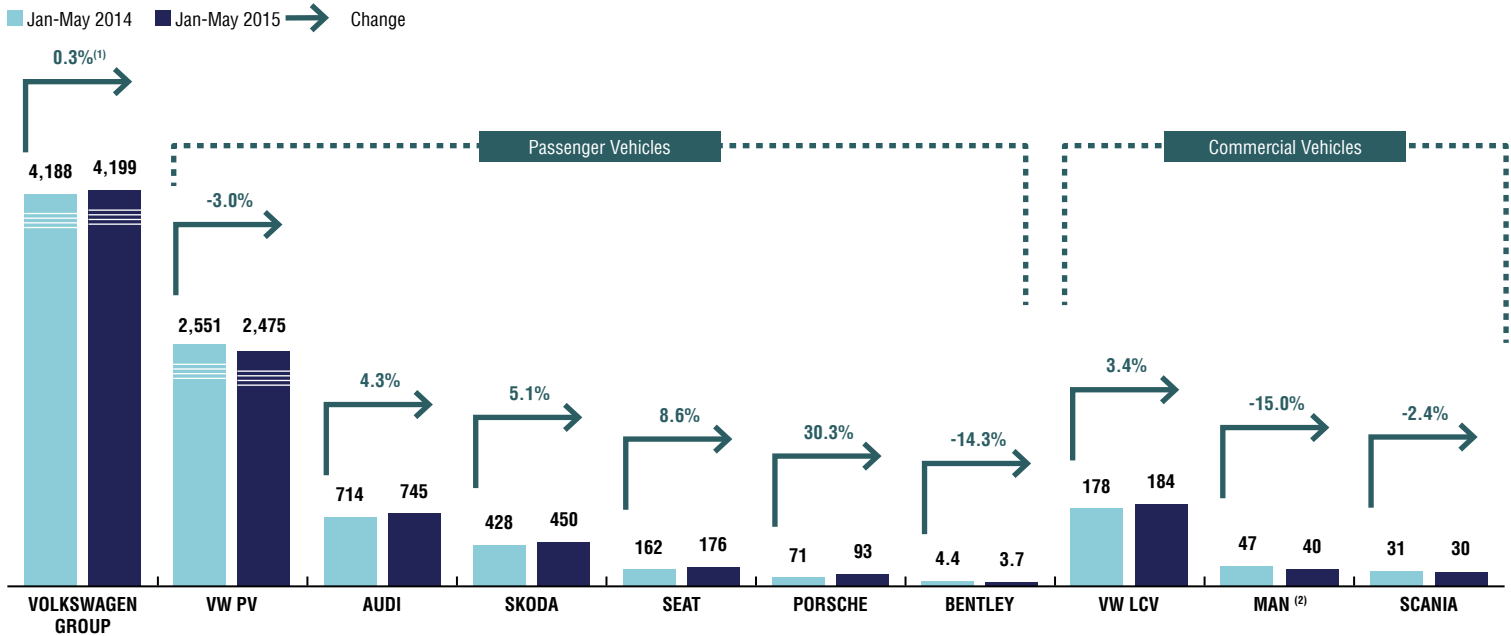
Source: VW Group 2014 Annual Report.

(1) Figures excl. Volkswagen Commercial Vehicles, Scania and MAN.



# Volkswagen Group

## DELIVERIES TO CUSTOMERS BY BRANDS (‘000 units)



(1) Incl. all brands of Volkswagen Group (Passenger Cars and Commercial Vehicles); 0.3% excl. Volkswagen Commercial Vehicles, Scania and MAN.

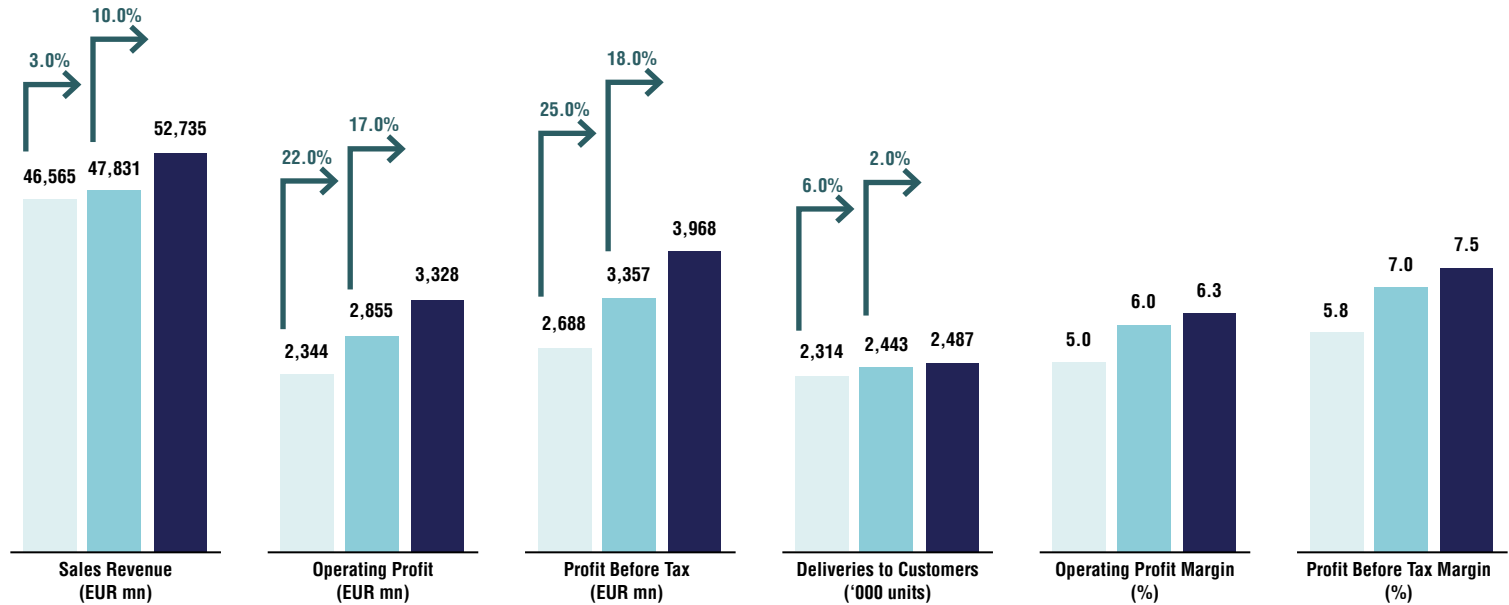
(2) MAN incl. MAN Latin America Trucks and Buses GVW>5t.

Source: VW Group 2014 Annual Report.

# Volkswagen Group

## FINANCIAL AND SALES PERFORMANCE (EUR mn)

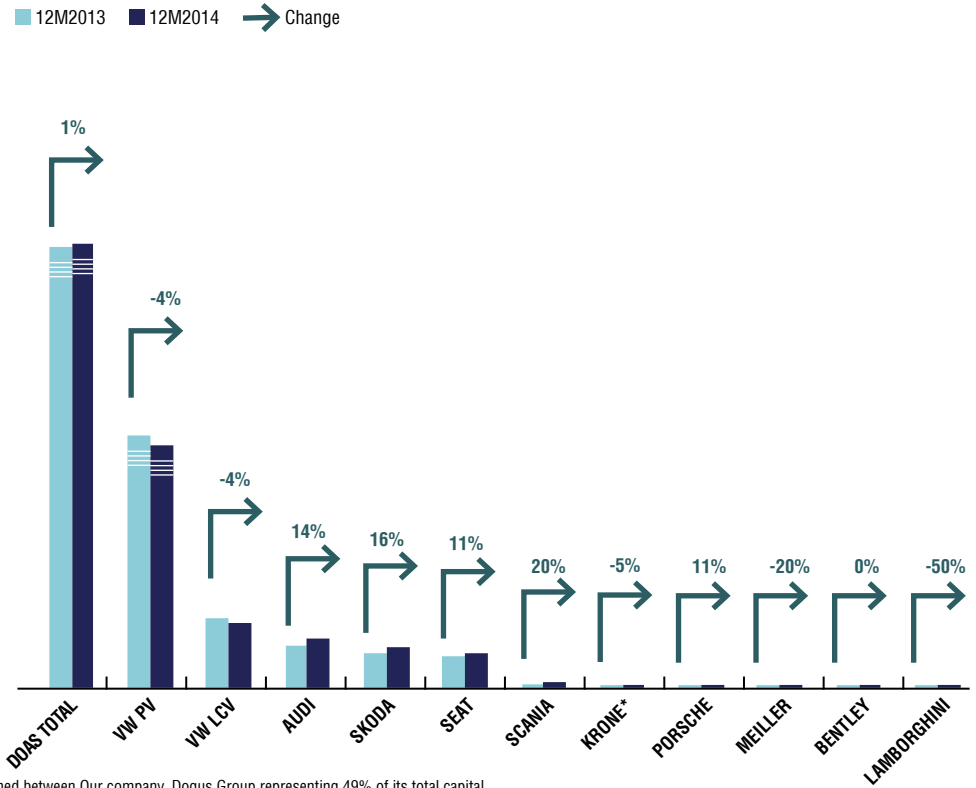
1Q2013 1Q2014 1Q2015 → Change



Source: VW Group 2014 Annual Report.

# DOAS Wholesales Performance - 2014

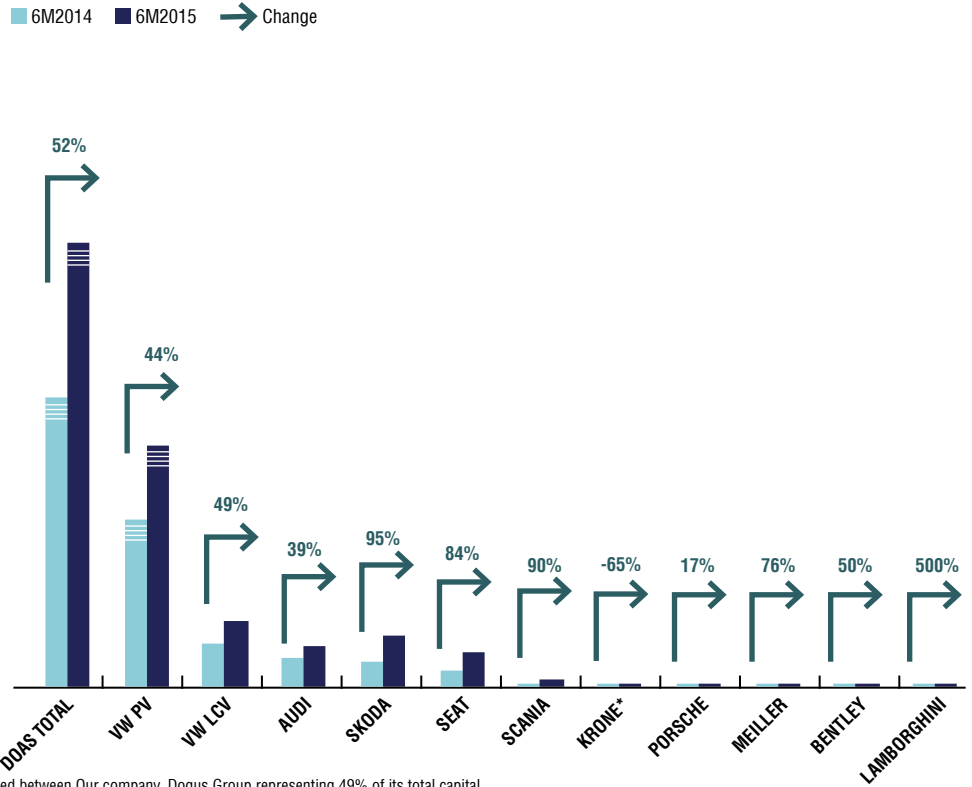
	12M2013	12M2014	Change
<b>DOAS TOTAL</b>	<b>155,056</b>	<b>155,995</b>	<b>1%</b>
VW PV	88,890	85,134	-4%
VW LCV	24,068	23,191	-4%
AUDI	15,025	17,070	14%
SKODA	12,362	14,397	16%
SEAT	11,334	12,540	11%
SCANIA	1,672	2,014	20%
KRONE	752	716	-5%
PORSCHE	542	601	11%
MEILLER	386	309	-20%
BENTLEY	21	21	0%
LAMBORGHINI	4	2	-50%



\*The sales agreement of Krone Doğuş Treyler Sanayi ve Ticaret A.Ş., which was signed between Our company, Dogus Group representing 49% of its total capital, and Fahrzeugwerk Bernard Krone GmbH on 29.01.2015, was finalized on 08.04.2015, after all permissions were received.

# DOAS Wholesales Performance - Jun 2015

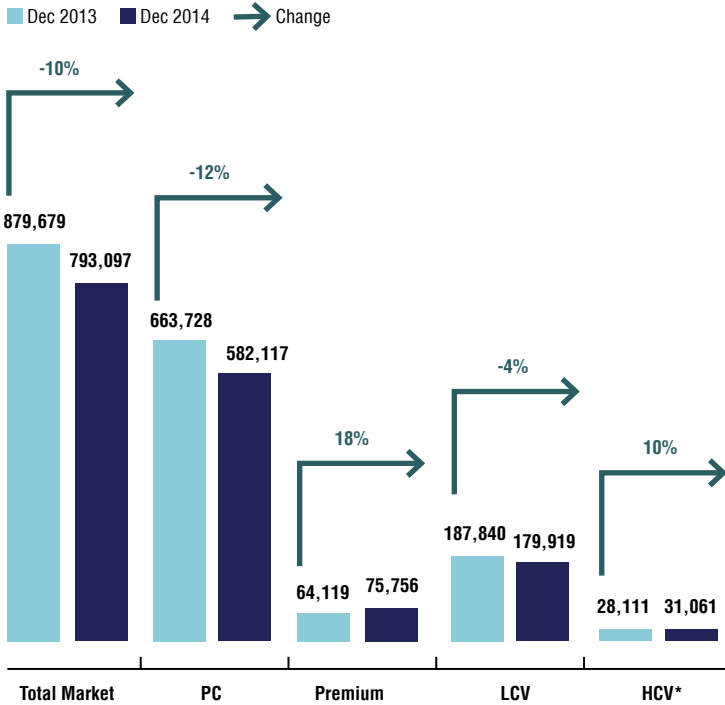
	6M2014	6M2015	Change
<b>DOAS TOTAL</b>	<b>66,116</b>	<b>100,224</b>	<b>52%</b>
VW PV	37,773	54,553	44%
VW LCV	9,648	14,343	49%
AUDI	6,632	9,219	39%
SKODA	5,933	11,543	95%
SEAT	4,503	8,298	84%
SCANIA	818	1,555	90%
KRONE	403	142	-65%
PORSCHE	247	288	17%
MEILLER	152	268	76%
BENTLEY	6	9	50%
LAMBORGHINI	1	6	500%



\*The sales agreement of Krone Doğuş Treyler Sanayi ve Ticaret A.Ş., which was signed between Our company, Dogus Group representing 49% of its total capital, and Fahrzeugwerk Bernard Krone GmbH on 29.01.2015, was finalized on 08.04.2015, after all permissions were received.

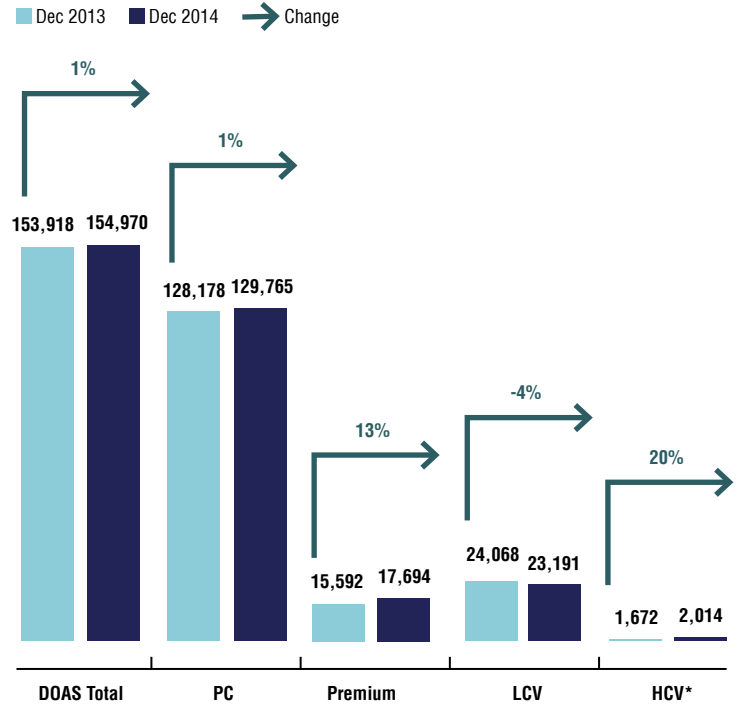
# Market Review - Wholesale - 2014

## MARKET



\*Excluding Krone and Meiller

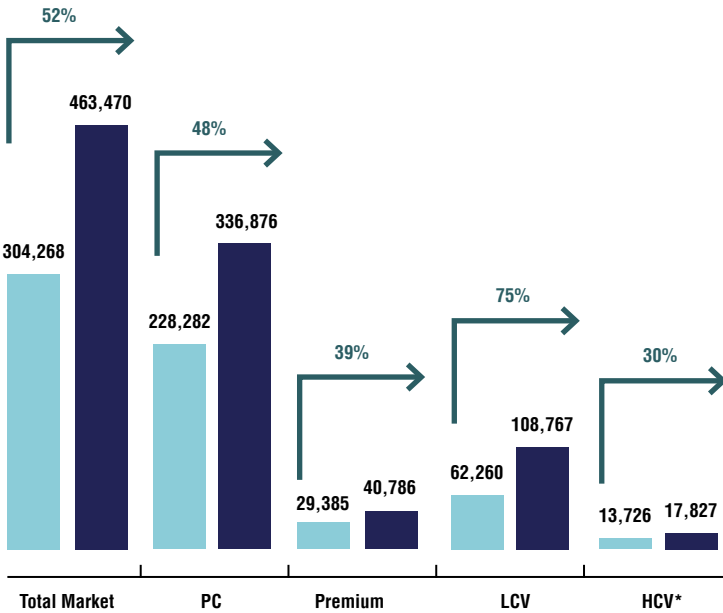
## DOAS



# Market Review - Wholesale - Jun 2015

## MARKET

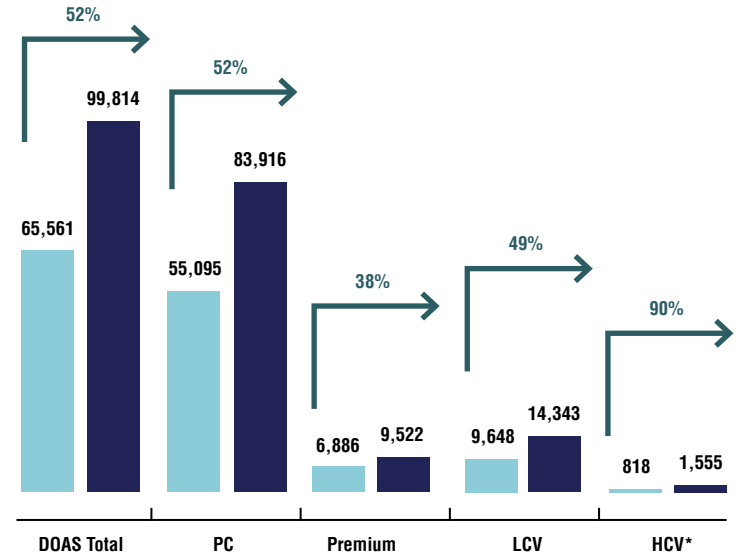
■ Jun 2014 ■ Jun 2015 → Change



\*Excluding Krone and Meiller

## DOAS

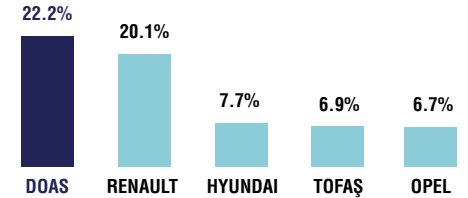
■ Jun 2014 ■ Jun 2015 → Change



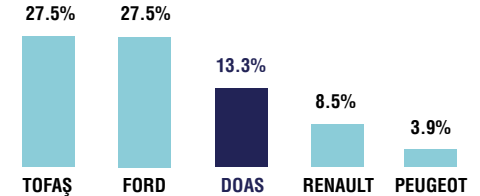
# Market Share - Retail - 2014

RETAIL MARKET	2012 YEAR END	2013 YEAR END	YTD DEC 13	YTD DEC 14	13/14 CHANGE	YTD DEC 2013/2014 CHANGE
<b>PASSENGER VEHICLE %</b>						
DOAS	17.4	19.3	19.2	22.2	2.9	3.0
RENAULT	18.1	18.9	18.9	20.1	1.2	1.2
HYUNDAI	7.8	7.2	7.2	7.7	0.5	0.4
TOFAŞ	8.2	7.8	7.7	6.9	-0.9	-0.8
FORD	8.5	8.8	8.4	6.7	-2.1	-1.7
OPEL	8.8	8.4	8.8	6.4	-2.1	-2.4
TOYOTA	5.7	5.4	5.4	5.8	0.4	0.4
PEUGEOT	2.6	3.5	3.5	2.9	-0.6	-0.6
OTHER	22.9	20.7	20.9	21.4	0.7	0.6
<b>LIGHT COMMERCIAL VEHICLE %</b>						
TOFAŞ	26.2	25.1	25.1	27.5	2.4	2.4
FORD	26.7	26.4	26.4	27.5	1.1	1.1
DOAS	11.8	12.6	12.6	13.3	0.7	0.7
RENAULT	7.4	10.1	10.1	8.5	-1.6	-1.6
PEUGEOT	6.8	5.8	5.8	3.9	-1.9	-1.9
TOYOTA	1.1	1.3	1.3	0.9	-0.4	-0.4
HYUNDAI	1.2	0.8	0.8	0.9	0.1	0.1
OPEL	0.3	0.1	0.2	0.0	-0.1	-0.2
OTHER	18.5	17.8	17.9	17.5	-0.3	-0.3
<b>LIGHT VEHICLE %</b>						
DOAS	15.8	17.8	17.8	20.1	2.3	2.3
RENAULT	15.2	17.0	17.0	17.4	0.4	0.4
TOFAŞ	13.3	11.5	11.6	11.7	0.2	0.2
FORD	13.7	12.7	12.7	11.3	-1.4	-1.4
HYUNDAI	5.9	5.8	5.8	6.1	0.3	0.2
OPEL	6.4	6.6	6.6	5.1	-1.5	-1.5
TOYOTA	4.4	4.5	4.5	4.7	0.2	0.2
PEUGEOT	3.8	4.0	4.0	3.1	-0.9	-0.9
OTHER	21.5	20.1	20.2	20.5	0.4	0.3

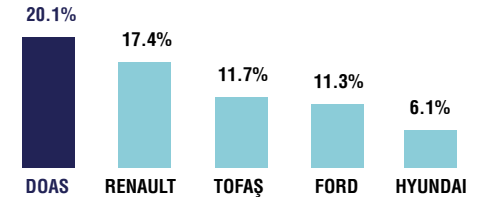
## PV TOP 5 DECEMBER 14



## LCV TOP 5 DECEMBER 14



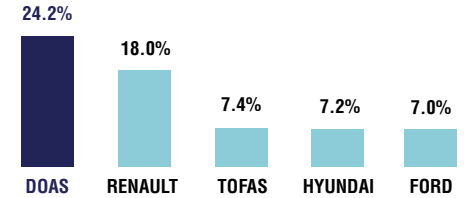
## LV TOP 5 DECEMBER 14



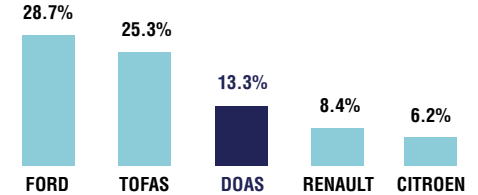
# Market Share - Retail - Jun 2015

RETAIL MARKET	2013 YEAR END	2014 YEAR END	YTD JUN 14	YTD JUN 15	14/15 CHANGE	YTD JUN 2014/2015 CHANGE
<b>PASSENGER VEHICLE %</b>						
DOAS	19.3	22.2	23.1	24.2	2.0	1.1
RENAULT	18.9	20.1	19.7	18.0	-2.1	-1.7
TOFAS	7.8	6.9	7.3	7.4	0.5	0.1
HYUNDAI	7.2	7.65	7.8	7.2	-0.5	-0.6
FORD	8.8	6.4	5.9	7.0	0.6	1.1
TOYOTA	5.4	5.8	4.9	6.8	1.0	1.9
OPEL	8.4	6.7	6.6	6.2	-0.5	-0.4
BMW	3.1	4.5	3.9	4.1	-0.4	0.2
OTHER	21.1	19.9	20.8	19.2	-0.7	-1.6
<b>LIGHT COMMERCIAL VEHICLE %</b>						
FORD	26.4	27.47	23.5	28.7	1.3	5.2
TOFAS	25.1	27.5	27.4	25.3	-2.2	-2.1
DOAS	12.6	13.3	15.4	13.3	-0.1	-2.1
RENAULT	10.1	8.5	9.4	8.4	0.0	-0.9
CITROEN	5.5	4.5	4.7	6.2	1.8	1.5
PEUGEOT	5.8	3.9	3.7	4.8	0.9	1.1
MERCEDES-BENZ	5.5	4.5	5.2	3.6	-0.8	-1.6
MITSUBISHI	2.0	2.4	2.1	2.0	-0.4	-0.1
OTHER	7.0	8.0	8.6	7.7	-0.3	-0.9
<b>LIGHT VEHICLE %</b>						
DOAS	17.8	20.1	21.4	21.6	1.5	0.1
RENAULT	17.0	17.4	17.5	15.7	-1.7	-1.8
FORD	12.7	11.3	9.7	12.2	0.9	2.6
TOFAS	11.5	11.7	11.6	11.7	0.0	0.1
HYUNDAI	5.8	6.1	6.4	5.6	-0.4	-0.7
TOYOTA	4.5	4.7	4.2	5.4	0.7	1.2
OPEL	6.6	5.1	5.2	4.7	-0.4	-0.5
PEUGEOT	4.0	3.1	3.3	3.8	0.7	0.5
OTHER	20.1	20.5	20.8	19.3	-1.2	-1.5

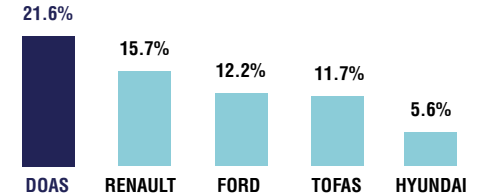
## PV TOP 5 JUN 15



## LCV TOP 5 JUN 15



## LV TOP 5 JUN 15





# Financial Performance



# Consolidated Income Statement

(TL mn, CMB)	31 Mar 15	31 Mar 14	Change (%)
Revenue	2,175	1,354	61%
Gross Profit	267	144	85%
Operational Expenses	-124	-105	19%
Selling and Marketing Expenses	-57	-46	23%
General Administrative Expenses	-65	-57	14%
Warranty Expenses, net	-10	-5	83%
Other Operating Expenses, net	8	4	80%
EBITDA	155	48	220%
EBIT	143	40	261%

Margins	31 Mar 15	31 Mar 14	Change (%)
Gross Margin	12.3%	10.7%	15%
Opex/Sales	5.7%	7.7%	-26%
EBITDA Margin	7.1%	3.6%	99%
EBIT Margin	6.6%	2.9%	125%
Net Profit Margin	6.1%	2.0%	202%

# Consolidated Income Statement

(TL '000)	31 Mar 15	Vertical Analysis	31 Mar 14	Vertical Analysis	Change (%) 2015/2014
Revenue	2,175,042		1,354,163		61%
Direct cost of revenue	-1,907,684	-88%	-1,209,872	-89%	58%
<b>Gross profit</b>	<b>267,358</b>	<b>12%</b>	<b>144,291</b>	<b>11%</b>	<b>85%</b>
Selling, marketing and distribution expenses	-56,647	-3%	-46,220	-3%	23%
SG&A Expenses	-65,423	-3%	-57,387	-4%	14%
Warranty expenses	-9,872	0%	-5,388	0%	83%
Other operating incomes/losses, net	7,836	0%	4,363	0%	80%
<b>Results from operating activities</b>	<b>143,252</b>	<b>7%</b>	<b>39,659</b>	<b>3%</b>	<b>261%</b>
Income from Investing Activities	33,441		-		
Income Loss from Associates	12,634		13,225		-4%
Financial incomes/costs, net	-28,273		-20,176		40%
<b>Profit before income tax</b>	<b>161,054</b>	<b>7%</b>	<b>32,708</b>	<b>2%</b>	<b>392%</b>
Tax expense	-28,529		-5,352		433%
<b>Profit for the year</b>	<b>132,525</b>	<b>6%</b>	<b>27,356</b>	<b>2%</b>	<b>384%</b>

## → Direct cost of revenue

- The major positive impacts on Gross Profit and Operational Profit compared to same period last year are as follows:
  - Positive impact of decrease in EUR/TL parity on direct cost of revenue.
  - Higher sales prices increases than purchasing prices.
  - High demand from customers for new model and facelift vehicles.

## → Selling, marketing and distribution expenses

- 39% Increase in Distribution Expense
- 13% Increase in Advertisement Expenses

## → General Administration Expenses

- Increase in personnel expenses by 14%

Income/Loss from Associates	31 Mar 15 Cumulative	31 Mar 14 Cumulative
VDTF	3,799	-188
Doğuş Sigorta	1,227	649
SKODA (Yüce Oto)	2,986	2,818
VDF Servis Holding	3,180	1,074
Leaseplan	-	4,974
TÜVTURK Group	3,114	4,725
Meiller-Doğuş	-243	-929
Krone-Doğuş	-1,567	-592
Doğuş Technology	138	694
<b>Grand Total</b>	<b>12,634</b>	<b>13,225</b>

# Financing Costs

(TL mn, CMB)	31 Mar 2015	31 Mar 2014	(% Change)
Financing Costs	-28.27	-20.18	40%
Finance expenses, net	-26.32	-19.65	34%
Interest expense on borrowings	-25.4	-17.5	45%
Commission expenses on letters of guarantee	-0.7	-1.7	-58%
Other financial expenses	-0.2	-0.5	-48%
Foreign Exchange gain/loss, net*	-2.0	-0.5	275%

\*arising from credit loans

CMB: Capital Market Boards of Turkey

# Consolidated Balance Sheet

(TL '000)	31 Mar 15	31 Dec 14
<b>ASSETS</b>	<b>3,439,396</b>	<b>2,827,257</b>
Cash and cash equivalents	48,711	40,621
Trade receivables	792,360	744,731
Inventories	1,082,326	569,259
Tangible and intangible non-current assets	569,035	558,170
Financial Investments	528,940	531,181
Investments in equity accounted investees	245,609	251,701
Other	172,415	131,594
<b>LIABILITIES</b>	<b>2,221,233</b>	<b>1,590,922</b>
Financial liabilities	1,151,731	1,075,943
Trade payables	739,178	357,159
Provisions	60,002	64,535
Other	270,322	93,285
<b>EQUITY</b>	<b>1,218,163</b>	<b>1,236,335</b>
<b>Investments in Equity Accounted Investees</b>	<b>31 Mar 15</b>	<b>31 Dec 14</b>
<b>Associates</b>		
VDF	96,702	92,904
Doğuş Sigorta	33,904	32,805
Yüce Auto (SKODA)	18,662	15,676
VDF Servis	23,768	20,589
Doğuş Teknoloji	4,489	4,351
<b>Joint Ventures</b>		
Krone-Doğuş	-	19,876
TÜVTURK North - South (Consolidated)	63,291	60,464
Meiller-Doğuş	4,793	5,036
<b>Total</b>	<b>245,609</b>	<b>251,701</b>
<b>Other</b>	<b>31 Mar 15</b>	<b>31 Dec 14</b>
Dividend payable	150,000	-
VAT payable	41,348	64,365
Income tax payable	36,812	5,312
Advances taken	15,826	7,300
Payables related to employee benefits	21,902	8,049
Deferred tax liabilities	2,210	3,691
Other	2,224	4,568

## → Inventories

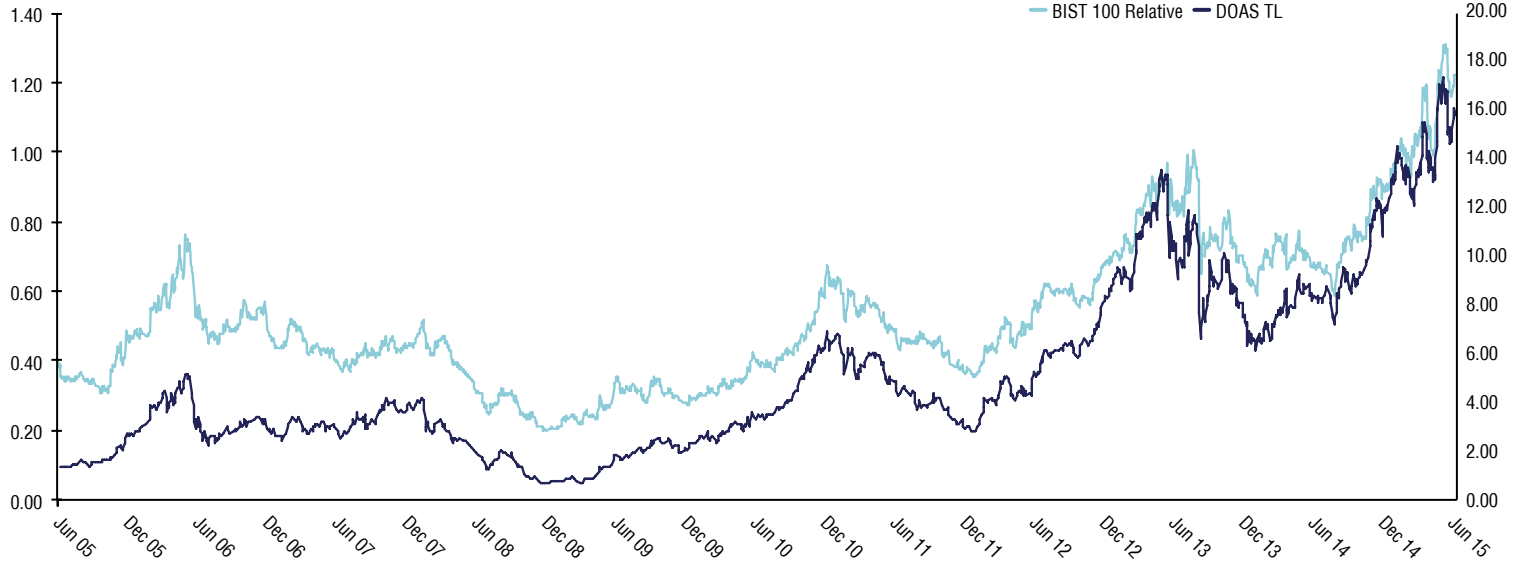
- Increase in goods in transit (vehicle)
  - 31 March 2015: 1.082.326 thousand TL
  - 31 December 2014: 569.259 thousand TL
- 1Q2015 vehicle units was realized as 18.517 units which increased by 247% compared to 2014 year end. As 2015 model vehicles usually were purchased in February, inventory increased by 90%.

Other	31 Dec 15	31 Dec 14
Non-current assets held for sale	18,309	45,489
Investment property	20,567	20,636
Warranty claims and price difference receivables	20,950	18,749
Prepaid Expenses short-term	59,065	9,895
Advances Given	11,488	1,307
Receivables due to insurance claims	10,433	8,359
Deferred tax assets	13,634	6,287
Prepaid Expenses long-term	10,963	14,594
Advances given for property and equipment purchases	1,347	2,283
Other	5,659	3,995
<b>Provisions</b>	<b>31 Mar 14</b>	<b>31 Dec 14</b>
Warranty Provisions	27,470	33,541
Legal Provisions	14,231	14,614
Provision for unused vacation	4,515	4,576
Long-term provisions related to employee benefits	13,786	11,804

# Consolidated Balance Sheet

(Balance Sheet mn,TL)	31 Mar 15	31 Dec 14	(% Change)
Total Assets	3,439	2,827	22%
Total Equity	1,218	1,236	-1%
Net working capital	86	-32	-370%
Net cash position	-1,143	-1,060	8%
CAPEX	14	115	-88%
Receivable Turnover (day)	33	35	-6%
Inventory Turnover (day)	52	30	70%
Payable Turnover (day)	35	19	85%
Net Debt/EBITDA	1.8	2.8	-37%
ROA	3.9%	9.0%	-57%
ROE	10.9%	20.5%	-47%

# Stock Price History



## Shareholders Structure

	% Share	Amount (TL)
DOĞUŞ HOLDİNG AŞ.	35.21%	77,461,218
DOĞUŞ ARAŞTIRMA GEL. VE MÜŞ. HİZM.A.Ş.	30.29%	66,638,086
OTHER DOĞUŞ GROUP COMPANIES	0.00%	696
PUBLICLY TRADED	34.50%	75,900,000
TOTAL	100.00%	220,000,000

# Disclaimer

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