

# Our Strategy

BE ACTIVE IN THOSE SECTORS WHERE WE CREATE DIFFERENTIATION AND HAVE A COMPETITIVE ADVANTAGE

## EXECUTION POWER

We combine our strong management philosophy with international partnerships and our superior competitive advantages with long-term strategies.

MINIMIZE SECTOR AND GEOGRAPHIC RISKS THROUGH A DIVERSIFIED PORTFOLIO STRUCTURE

## RISK MANAGEMENT

Our robust balance sheet and diversified portfolio structure minimize sectoral and geographical risks. We are focused on efficiency and sustainable profitability.

MAKE THE MOST OF OUR BRAND STRENGTHS AND TECHNOLOGICAL COMPETENCE











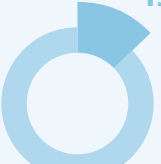



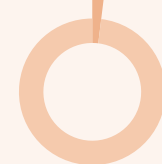
## SUSTAINABLE GROWTH

With the highest R&D spending in Turkey, we combine innovation with an extensive product range and enhance our competitiveness by offering our customers outstanding service quality.

DERIVE MAXIMUM BENEFITS FROM ECONOMIES OF SCALE BY BEING THE MARKET LEADER OR A CLOSE SECOND IN EVERY BUSINESS WE OPERATE

## LEADERSHIP

We are leaders in sectors with high growth potential and low penetration levels with the strong brands we have created.

SECTORS	SHARE IN COMBINED SALES	SHARE IN COMBINED OPERATING PROFIT	COMPANIES/INTERNATIONAL PARTNERSHIPS	COMPETITIVE ADVANTAGES	MARKET POSITION
<b>ENERGY</b> Refinery Fuel Distribution LPG Distribution Power Generation Natural Gas Other 	 <b>51%</b>	 <b>10%</b>	Tüpraş <sup>(1)</sup> Opet Aygaz <sup>(1)</sup> Entek Aygaz Doğal Gaz Akpa, Demir Export	<ul style="list-style-type: none"> <li>One of the world's most complex refineries</li> <li>Wide range of crude oil processing capacities</li> <li>Proximity to oil producers in the Middle East</li> <li>Operating in a high demand environment</li> <li>Widespread LPG and fuel oil distribution network</li> <li>Strong brand value</li> <li>High and sustainable customer satisfaction</li> </ul>	Leader - Sole player 2 <sup>nd</sup> - 18% Leader - 29%
<b>AUTOMOTIVE</b> Automotive Passenger Cars Commercial Vehicles Farm Tractors Defense Industry 	 <b>20%</b>	 <b>26%</b>	Ford Otosan <sup>(1)</sup> / Ford Motor Co. Tofaş <sup>(1)</sup> / Fiat Auto S.p.A. TürkTraktör <sup>(1)</sup> / Case New Holland Otokar <sup>(1)</sup>	<ul style="list-style-type: none"> <li>40% of Turkey's automotive production</li> <li>23% of domestic automotive sales</li> <li>37% of Turkey's automotive exports</li> <li>High growth potential due to low penetration rates</li> <li>Widest sales, post-sales and service network</li> <li>Strong international partnerships</li> <li>Highest number of R&amp;D employees in Turkey's automotive industry</li> <li>Ongoing investment program</li> <li>Focus on efficiency and product diversification</li> <li>Turkey's largest private capital defense company</li> </ul>	Leader - 23% 3 <sup>rd</sup> - 14% Leader - 49% Leader - 49% Leader
<b>CONSUMER DURABLES</b> White Goods & Consumer Electronics Air Conditioners 	 <b>10%</b>	 <b>15%</b>	Arçelik <sup>(1)</sup> Arçelik LG Klima / LG Electronics	<ul style="list-style-type: none"> <li>Low cost production centers: Turkey, Romania, Russia, China and South Africa</li> <li>Widest sales, post-sales and service network in Turkey</li> <li>One of Europe's leading home appliance manufacturers</li> <li>Exports to more than 100 countries around the world</li> <li>Strong brand value</li> <li>Focus on growth with the target of becoming a global brand</li> <li>High and sustainable level of customer satisfaction</li> <li>Patent champion of Turkey</li> </ul>	Leader Leader
<b>BANKING AND INSURANCE</b> Banking Leasing Real Estate Investment Trust Factoring Brokerage Asset Management Consumer Finance 	 <b>13%</b>	 <b>48%</b>	Yapı Kredi Bankası <sup>(1)</sup> / UniCredit Yapı Kredi Leasing Yapı Kredi Koray <sup>(1)</sup> Yapı Kredi Faktoring Yapı Kredi Yatırım Menkul Değerler Yapı Kredi Portföy Yönetimi Koç Finansman	<ul style="list-style-type: none"> <li>Deep rooted experience of 70 years</li> <li>Continuously expanding, innovative service and branch network</li> <li>Powerful bank with over 1,000 branches</li> <li>Customer oriented, smart growth strategy</li> <li>Strong and diversified funding base</li> <li>Configuration that provides services under the same structure for all financial needs of customers</li> </ul>	4 <sup>th(2)</sup> , Leader <sup>(3)</sup> - 21% Leader - 18% Leader - 15% 2 <sup>nd</sup> 2 <sup>nd</sup> Leader
<b>OTHER LINES OF BUSINESS</b> Food Production Food Product Distribution DIY Retailing Tourism Marina Operations IT Ship & Yacht Construction 	 <b>6%</b>	 <b>2%</b>	Tat Gıda <sup>(1)</sup> / Kagome, Sumitomo Düzey Koçtaş / B&Q Setur, Divan, Mares <sup>(1)</sup> Setur Marinaları KoçSistem, Bilkom RMK Marine	<ul style="list-style-type: none"> <li>Leadership positions in sectors with high growth potential</li> <li>Strong brand values</li> <li>Widespread distribution networks</li> <li>Ongoing investments in line with growth opportunities</li> </ul>	Leader <sup>(4)</sup> Leader Leader Leader

<sup>(1)</sup> Publicly traded companies. <sup>(2)</sup> Private sector asset size.

<sup>(3)</sup> Credit card balances. <sup>(4)</sup> Tomato paste, tomato products, ketchup, premium pasta and pasteurized milk.