



October 3rd, 2017

PRESS REVIEW

Passenger Car and Light Commercial Vehicle Market

Showed a Decrease of 1% in the first nine months of 2017.

Passenger Car Market Decreased By 3%, Light Commercial Vehicle Market Increased By 2%.

Turkey's passenger car and light commercial vehicle total market decreased by 1.44% in the first nine months of 2017 compared to the same period of the previous year, to 627,343. In the nine-month period of 2016, total market sales figure was 636,499.

Passenger car sales went down by 2.6% in the first nine months of 2017, compared to the same period of previous year, to 476,621. In the same period of 2016, the sales were 489,365.

In January-September period of 2017, light commercial vehicle market increased by 2.44%, in comparison to the year before, to 150,722. In the same period of previous year, the sales were 147,134.

Passenger Car and Light Commercial Vehicle Market

Showed an Increase of 6% in September 2017.

Passenger Car Market Increased By 4%, Light Commercial Vehicle Market Increased By 10%.

In September 2017, passenger car and light commercial vehicle market increased to 71,352. In comparison to the total number of 67,593 in September 2016, the sales went up in a ratio of 5.56%.

In September 2017, passenger car sales went up by 4.06% in comparison to the same month of the year before and were 53,423. Last year, the sales were 51,340.

Light commercial vehicle market increased by 10.31% in September 2017 compared to September 2016, to 17,929. Last year, the sales were 16,253.



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By the end of September 2017, a decrease of 2.8% in the sales of passenger cars below 1600cc and a decrease of 3.1% in the sales of passenger cars with a 1600-2000cc motor volume was observed. As for the sales of the passenger cars over 2000cc, a decrease of 50.7% was observed. 45 electric cars and 2,746 hybrid passenger cars were sold in the first nine months of 2017.

When the average emission values of the passenger car market in the end of September 2017 are considered, the passenger cars between 100-120g/km took the largest share with a ratio of 42.7%, with a number of 203,387.

At the end of September 2017, diesel passenger car sales share decreased to 61.4%, while the automatic transmission passenger car sales share increased to 58.8%.

At the end of September 2017, 83.6% of the passenger car market segment again consisted of the vehicles in the A, B and C segments. When evaluated according to segments, Segment C with a share of 51.8% reached the highest sales volume (246,729). When evaluated according to frame, most preferred body type was again Sedan (49.4%, a quantity of 235,580).

At the end of September 2017, when evaluated according to body type, Van's with a share of 69.6% had the highest sales volume (104,969), Light trucks followed them with a share of 12.2% (18,320) while the share of Minibuses was 9.4% (14,159) and the share of Pick-ups was 8.8% (13,274) in light commercial vehicle market.

In 2017, total market of automotive sector is expected to be **between 875-925 thousand**.

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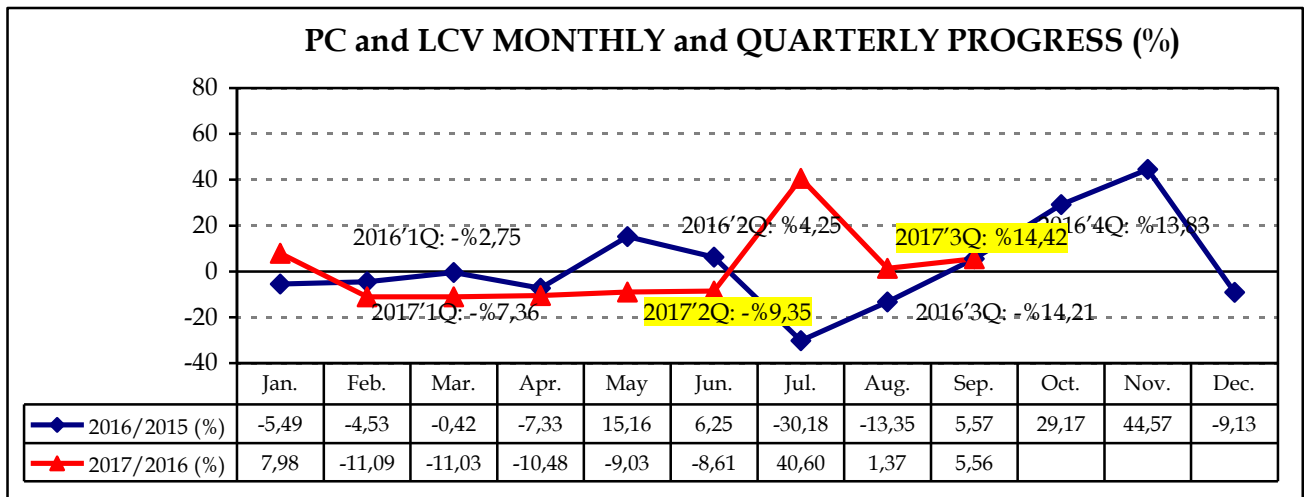
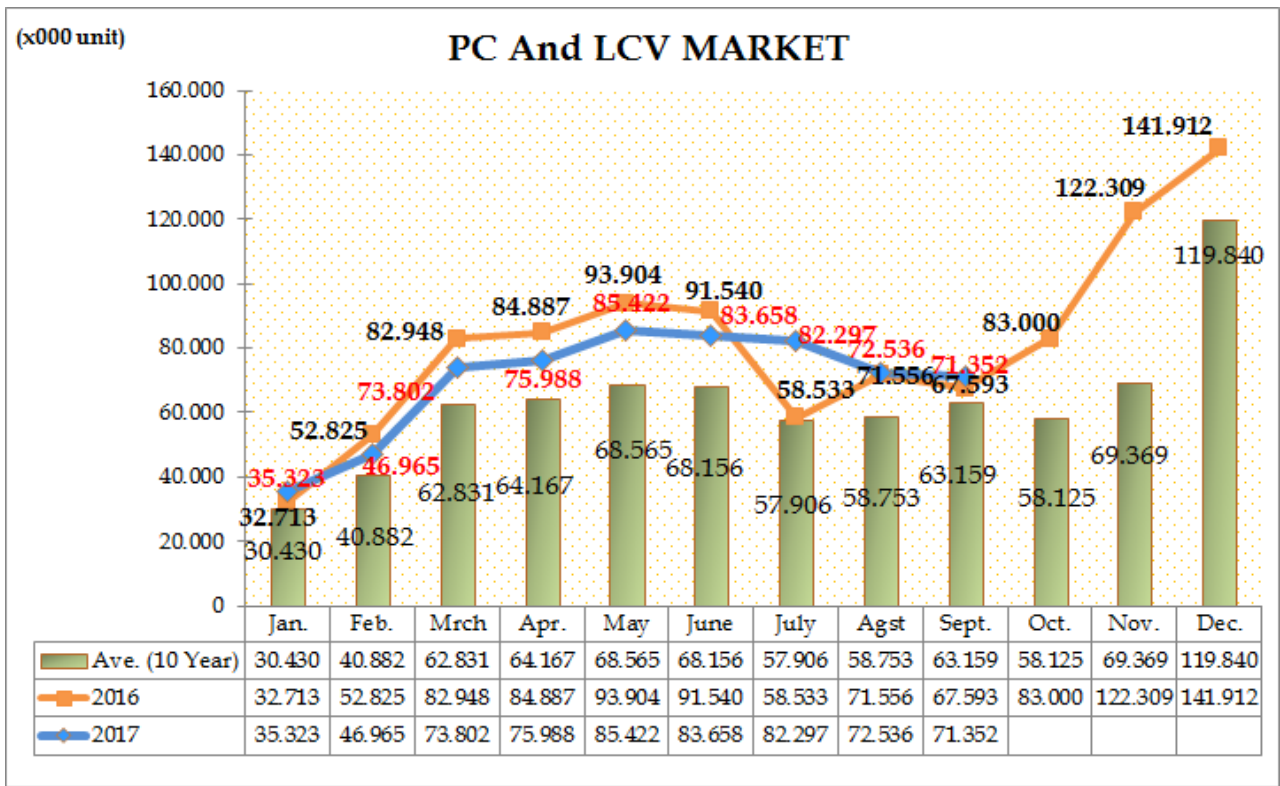


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In the first nine months of 2017, Turkey's passenger car and light commercial vehicle total market presented a sales number of 627,343. In comparison to the total number of 636,499 in September 2016, the sales went down in a ratio of 1.44%.

In September 2017, passenger car and light commercial vehicle market presented a sales number of 71,352. In comparison to the total number of 67,593 in September 2016, the sales went up in a ratio of 5.56%.

The passenger car and light commercial vehicle market, in comparison to the average 10-year September sales, showed an increase of 12.97%.



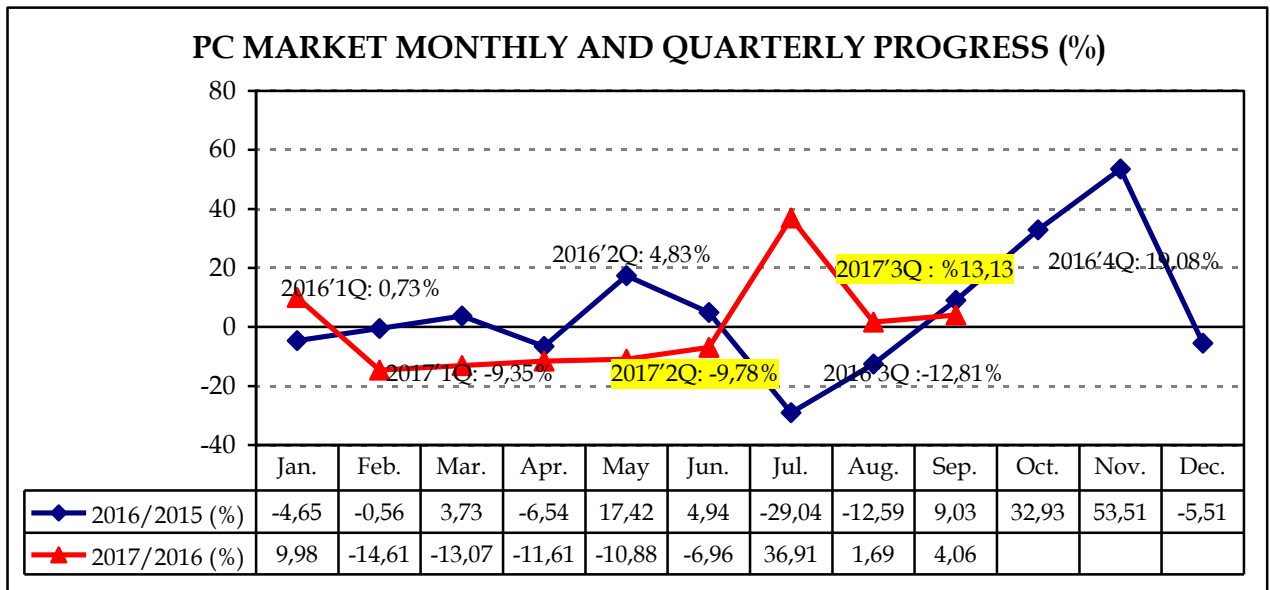
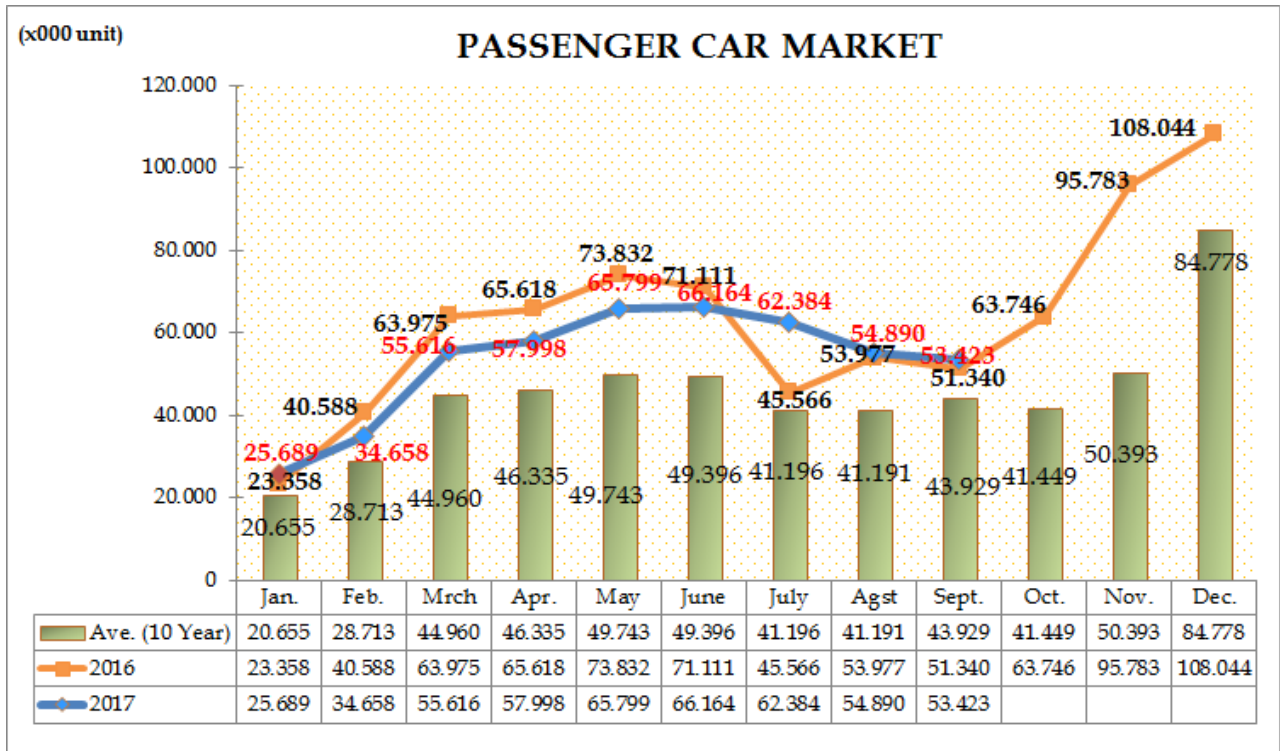


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In the first nine months of 2017, passenger car sales went down by 2.6% in comparison to the same period of previous year and were 476,621. In the same period of previous year, the sales were 489,365.

In September 2017, passenger car sales went up by 4.06% in comparison to the same month of the year before and were 53,423. In September 2016, the sales were 51,340.

The passenger car market, in comparison to the average 10-year September sales, showed an increase of 21.61%.



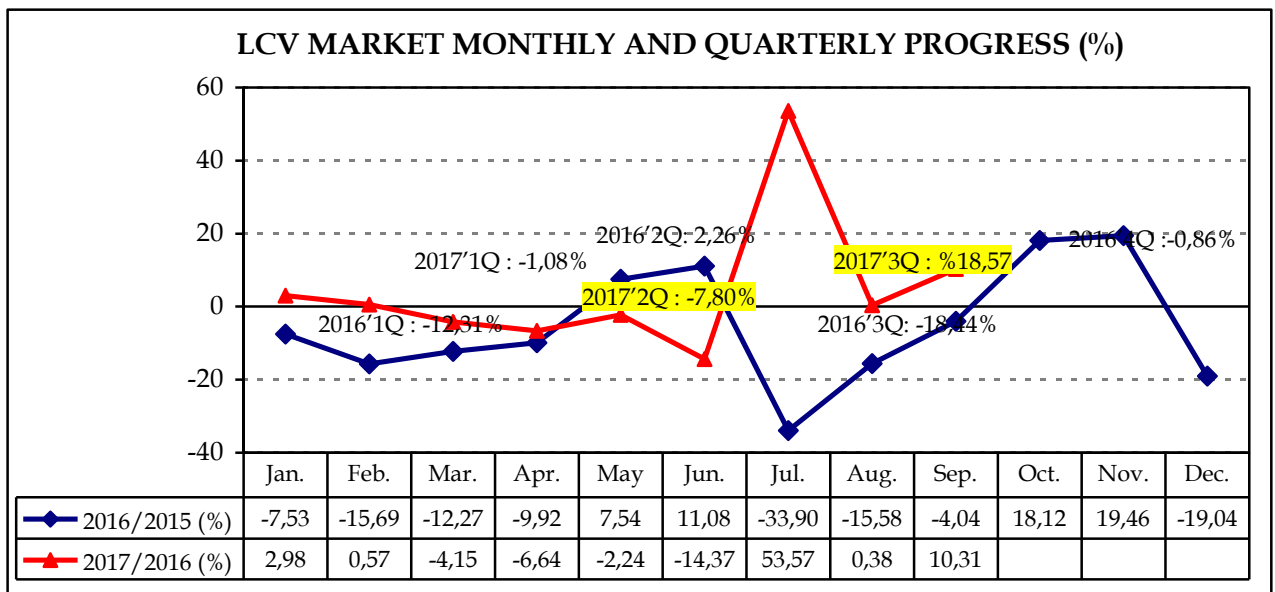
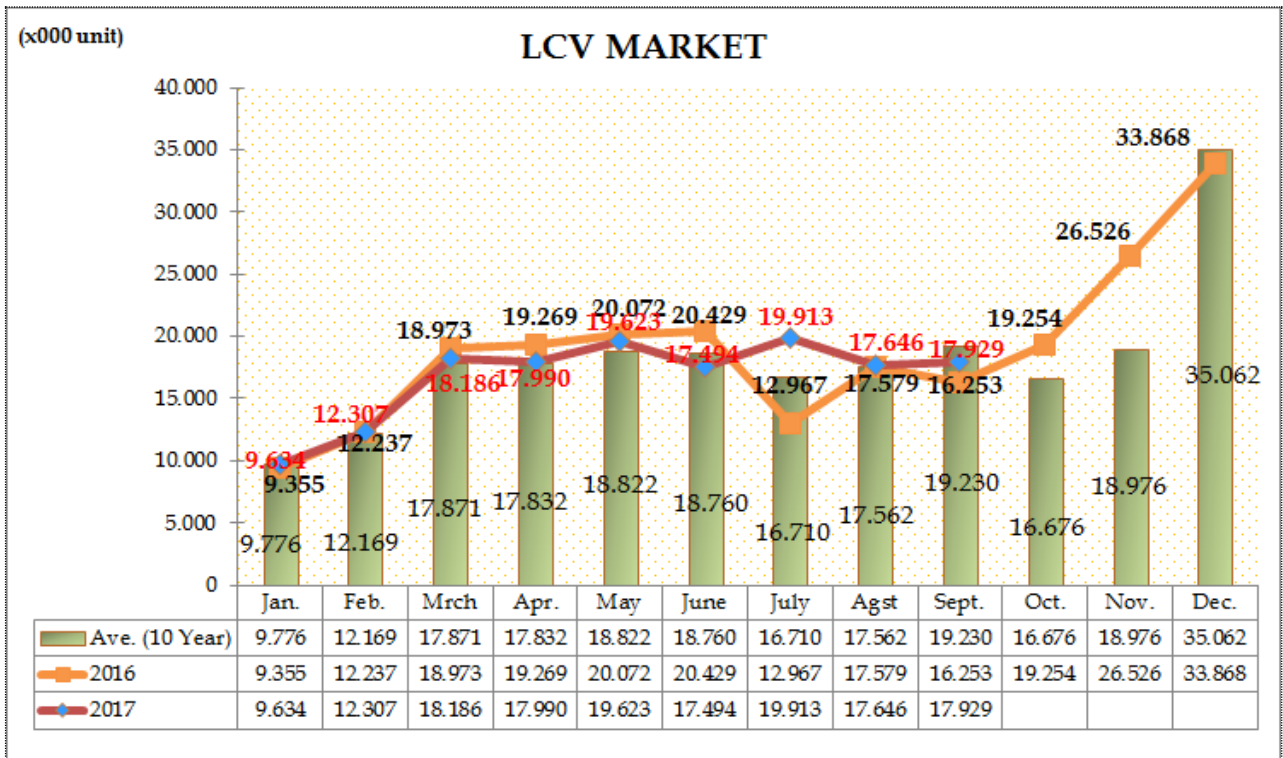


PRESS RELEASE

In January-September period of 2017, light commercial vehicle sales increased by 2.44% in comparison to the same period of the last year, to 150,722. In the same period of previous year, the sales were 147,134.

In September 2017, light commercial vehicle sales increased by 10.31% in comparison to the same month of previous year, to 17,929. In September 2016, the sales were 16,253.

The light commercial vehicle market, in comparison to the average 10-year September sales, showed a decrease of 6.77%.





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When the end of September 2017 passenger car market is studied in terms of engine volume, the biggest slice of the pie was taken by passenger cars under 1600cc with a ratio of 96.0% and a number of 457,711. Passenger cars between 1600cc to 2000cc followed them with a ratio of 3.1% and passenger cars above 2000cc with a ratio of 0.3%. In comparison with the same period of 2016, a decrease of 2.8% in the sales of passenger cars below 1600cc and decrease of 3.1% in the sales of passenger cars with a 1600-2000cc motor volume was observed. As for the sales of the passenger cars over 2000cc, a decrease of 50.7% was observed. 25 electric cars below 85kW engine power and 20 electric cars above 121 Kw, total 45 electric cars were sold in the first nine months of 2017.

At the end of September 2017, 258 hybrid cars under 1600cc, 2,303 hybrid cars between 1601cc<=1800cc (>50 kW), 39 hybrid cars between 1801cc to 2000cc, 139 hybrid cars between 2001cc - 2500cc (>100KW) and 7 hybrid cars above 2500cc were sold. 2,746 hybrid cars were sold in January-September period of 2017.

ENGINE VOLUME	ENGINE TYPE	End of September 2016		End of September 2017		Change	SCT %	VAT %
		Qty	Segment	Qty	Segment			
≤ 1600cc	B/D	470.705	96,2%	457.711	96,0%	-2,8%	45, 50, 60	
1601cc - ≤ 2000cc	B/D	15.146	3,1%	14.678	3,1%	-3,1%	100, 110	
≥ 2001cc	B/D	2.925	0,6%	1.441	0,3%	-50,7%	160	
≤ 85 kW	ELECTRIC	18	0,0%	25	0,0%	38,9%	3	
86kW - ≤ 120kW	ELECTRIC	0	0,0%	0	0,0%		7	
≥ 121kW	ELECTRIC	20	0,0%	20	0,0%	0,0%	15	
<=1600cc	HYBRID	482	0,1%	258	0,1%	-46,5%	60	
1601cc - <=1800cc (<=50KW)	HYBRID	0	0,0%	0	0,0%		110	18
1601cc - <=1800cc (>50KW)	HYBRID	0	0,0%	2.303	0,5%		60	
1801cc - <=2000cc	HYBRID	47	0,0%	39	0,0%	-17,0%	110	
2001cc - <=2500cc (<=100KW)	HYBRID	0	0,0%	0	0,0%		160	
2001cc - <=2500cc (>100KW)	HYBRID	0	0,0%	139	0,0%		110	
>2500cc	HYBRID	22	0,0%	7	0,0%	-68,2%	160	
Total		489.365	100,0%	476.621	100,0%	-2,6%	TAX RATES	



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When the end of September 2017 passenger car market is studied in terms of average emission values, passenger cars between 100-120 gr/km have the highest share of 42.7% (203,387) and following this, passenger cars between 120-140 gr/km have a share of 23.0% (109,442).

CO2 AVERAGE EMISSION VALUES (gr/km)	End of September 2016		End of September 2017		Change
	Qty	Segment	Qty	Segment	
< 100 gr/km	63.714	13,0%	75.035	15,7%	17,8%
≥ 100 - < 120 gr/km	225.669	46,1%	203.387	42,7%	-9,9%
≥ 120 - < 140 gr/km	121.791	24,9%	109.442	23,0%	-10,1%
≥ 140 - < 160 gr/km	62.525	12,8%	73.997	15,5%	18,3%
≥ 160 gr/km	15.666	3,2%	14.760	3,1%	-5,8%
Total	489.365	100,0%	476.621	100,0%	-2,6%

In the end of September 2017, diesel passenger car sales decreased by 3.5% in comparison to the same period of previous year. Diesel share in passenger car sales at the end of September 2017, when compared to the same period of 2016, decreased from 61.9% to 61.4% (292,537).

DIESEL	End of September 2016		End of September 2017		Change
	Qty	Share in the Segment	Qty	Share in the Segment	
A (Mini)	0	0,0%	1	0,1%	
B (Entry)	95.416	60,9%	96.646	64,4%	1,3%
C (Compact)	153.119	63,7%	146.927	59,5%	-4,0%
D (Medium)	45.044	62,5%	41.914	68,3%	-6,9%
E (Luxury)	6.780	44,4%	4.928	34,5%	-27,3%
F (Upper Luxury)	2.751	80,2%	2.121	82,1%	-22,9%
Total	303.110	61,9%	292.537	61,4%	-3,5%



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End of September 2017	1	2	3	4	5	6	7	Total	Share
Segment	S/D	H/B	S/W	MPV	CDV	Sport	SUV		
A (Mini)	0	1.573	0	0	0	0	0	1.573	0,3%
B (Entry)	34.617	88.154	5.018	707	8.120	158	13.339	150.113	31,5%
C (Compact)	148.532	45.242	1.367	4.054	0	183	47.351	246.729	51,8%
D (Medium)	41.451	1.560	305	9	1	3.295	14.715	61.336	12,9%
E (Luxury)	10.505	6	374	21	0	179	3.202	14.287	3,0%
F (Upper Luxury)	475	0	0	0	0	127	1.981	2.583	0,5%
Total	235.580	136.535	7.064	4.791	8.121	3.942	80.588	476.621	100,0%
	49,4%	28,6%	1,5%	1,0%	1,7%	0,8%	16,9%	100,0%	

End of September 2016	1	2	3	4	5	6	7	Total	Share
Segment	S/D	H/B	S/W	MPV	CDV	Spor	SUV		
A (Mini)	0	1.591	0	0	0	0	0	1.591	0,3%
B (Entry)	36.058	93.008	3.932	1.124	8.003	156	14.366	156.647	32,0%
C (Compact)	138.446	56.292	809	5.827	0	512	38.418	240.304	49,1%
D (Medium)	50.072	179	313	5	0	4.315	17.229	72.113	14,7%
E (Luxury)	11.157	6	17	70	0	214	3.815	15.279	3,1%
F (Upper Luxury)	666	0	0	0	0	256	2.509	3.431	0,7%
Total	236.399	151.076	5.071	7.026	8.003	5.453	76.337	489.365	100,0%
	48,3%	30,9%	1,0%	1,4%	1,6%	1,1%	15,6%	100,0%	

Change	1	2	3	4	5	6	7	Total
Segment	S/D	H/B	S/W	MPV	CDV	Sport	SUV	
A (Mini)		-1,1%						-1,1%
B (Entry)	-4,0%	-5,2%	27,6%	-37,1%	1,5%	1,3%	-7,1%	-4,2%
C (Compact)	7,3%	-19,6%	69,0%	-30,4%		-64,3%	23,3%	2,7%
D (Medium)	-17,2%	771,5%	-2,6%	80,0%		-23,6%	-14,6%	-14,9%
E (Luxury)	-5,8%	0,0%	2100,0%	-70,0%		-16,4%	-16,1%	-6,5%
F (Upper Luxury)	-28,7%					-50,4%	-21,0%	-24,7%
Total	-0,3%	-9,6%	39,3%	-31,8%	1,5%	-27,7%	5,6%	-2,6%

At the end of September 2017, 83.6% of the passenger car market segment again consisted of the vehicles in the A, B and C segments. When evaluated according to segments, Segment C with a share of 51.8% has the highest sales volume (246,729) and Segment B follows it with a share of 31.5% (150,113).

At the end of September 2017, when evaluated according to frame type, most preferred body type was again Sedan (49.4%, a quantity of 235,580). Following Sedan passenger cars are Hatchback frame with a share of 28.6% and a sales volume of 136,535 and SUV with a share of 16.9% and total sales volume of 80,588.



PRESS RELEASE

At the end of September 2017, automatic transmission passenger car sales numbers, in comparison to the same period in 2016, increased by 0.2%. Automatic transmission passenger car sale shares at the end of September 2017, in comparison to the same period of the previous year, increased from 57.2% to 58.8% (a number of 280,429).

AUTOMATIC TRANSMISSION	End of September 2016		End of September 2017		Change
	Qty	Share in the Segment	Qty	Share in the Segment	
A (Mini)	1.276	80,2%	1.221	77,6%	-4,3%
B (Entry)	62.832	40,1%	64.504	43,0%	2,7%
C (Compact)	132.511	55,1%	145.575	59,0%	9,9%
D (Medium)	64.475	89,4%	52.264	85,2%	-18,9%
E (Luxury)	15.277	100,0%	14.282	100,0%	-6,5%
F (Upper Luxury)	3.431	100,0%	2.583	100,0%	-24,7%
Total	279.802	57,2%	280.429	58,8%	0,2%

At the end of September 2017, when evaluated according to body type, Van's with a share of 69.6% had the highest sales volume (104,969), Light trucks followed them with a share of 12.2% (18,320) while the share of Minibuses was 9.4% (14,159) and the share of Pick-ups was 8.8% (13,274) in light commercial vehicle market.

LIGHT COMMERCIAL VEHICLE BODY TYPE ANALYSIS	End of September 2016		End of September 2017		Change
	Qty	Segment	Qty	Segment	
VAN	103.990	70,7%	104.969	69,6%	0,9%
LIGHT TRUCK	17.350	11,8%	18.320	12,2%	5,6%
MINIBUS	13.573	9,2%	14.159	9,4%	4,3%
PICK-UP	12.221	8,3%	13.274	8,8%	8,6%
Total	147.134	100,0%	150.722	100,0%	2,4%



PRESS RELEASE

OVERVIEW OF 2017;

According to July 2017 estimations of IMF World Economic Outlook Report, growth estimation for the world is 3.5% in 2017. The report suggests that the growth rates of the U.S., pacemaker of the world economy will be 2.1% in 2017. The figures for Europe are estimated to increase by 1.9% in 2017 which is crucial for the Turkish economy.

LMC Automotive, by 2017's 2nd quarter, has published 2017 expectations and world passenger car market estimations for 2018. According to the 2nd quarter results of 2017, world total passenger car market is expected to show an increase of 2.5% in comparison to the previous year and to reach a number of 98.8 M. In 2017, world automotive market is expected to show an increase of 1.4% and reach a number of 100,1 M in comparison to 2016.

LMC Automotive, by 2017's 2nd quarter, has published 2017 expectations and world automotive manufacture estimations for 2018. According to the 2nd quarter results of LMC Automotive, 2017 world automotive manufacture showed an increase of 2.2% in comparison to the previous year and reached a number of 98.5 M. In 2018, world automotive manufacture is expected to show an increase of 1,6% and reach a number of 100,1 M in comparison to 2017.

We foresee that the automotive industry's total market for the year 2017 to be between **875-925 thousand** in quantity.