



TÜMOSAN

**INVESTOR PRESENTATION
SEPTEMBER 2015**

Company Profile



Company Profile

LARGEST MANUFACTURING CAPACITY IN TURKEY.

TUMOSAN, manufactures diesel engine and tractors in a closed area of **93.000 m²** on its own property **1.6 Million m²**.

Engine manufacturing capacity: 75.000 items/ year-three shifts.

- Conform with the European Union emission standard Stage III-A.
- 3 Cylinder engines are; 50-85 HP.
- 4 Cylinder engines are; 75-115 HP.

Tractor manufacturing capacity: 45.000 items/year-three shifts.

- Tractors between 50 - 115 HP with 3 and 4 cylinders.

2015/9

> NET SALES
322.7 Mn

> EBITA
32.5 Mn

> NET INCOME
27.1 Mn

> EBITA MARGIN
10 %

2014/9

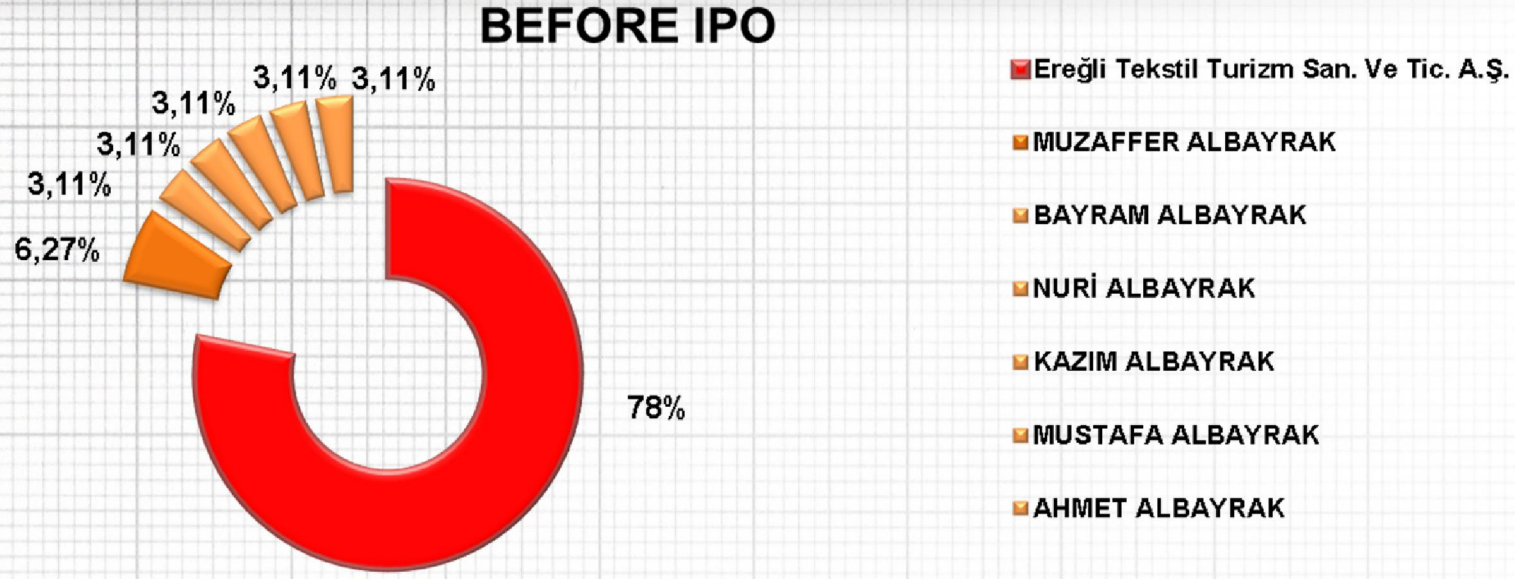
> NET SALES
310.3 Mn

> EBITA
25.7 Mn

> NET INCOME
19.4 Mn

> EBITA MARGIN
7 %

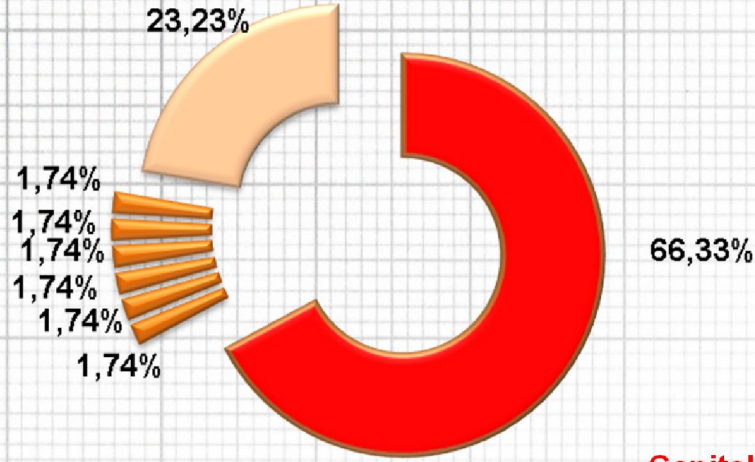
Ownership Structure



**TL 105 Mn CAPITAL
BEFORE IPO**

Ownership Structure

POST IPO

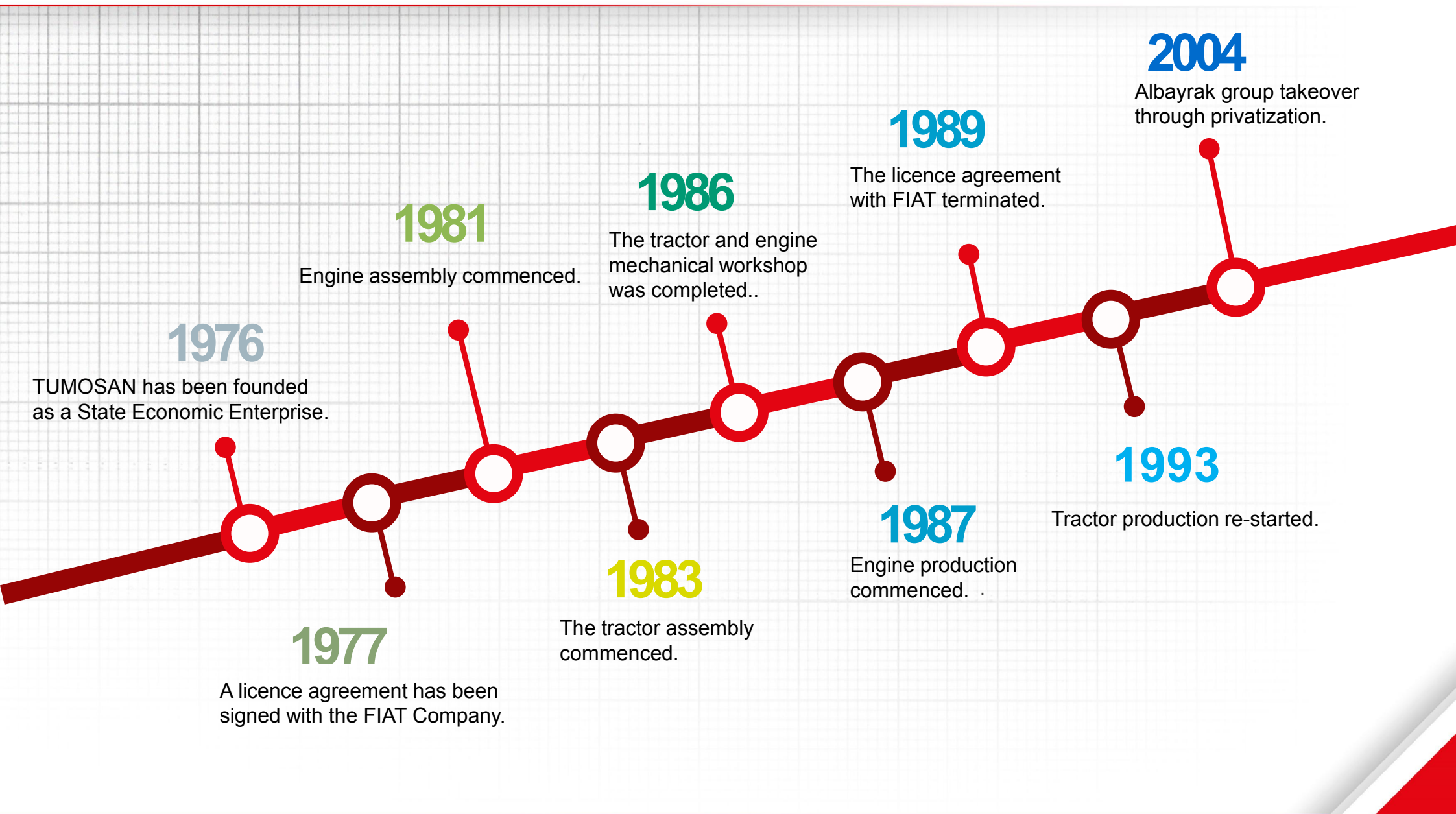


- Ereğli Tekstil Turizm San. Ve Tic. A.Ş.
- MUZAFFER ALBAYRAK
- BAYRAM ALBAYRAK
- NURİ ALBAYRAK
- KAZIM ALBAYRAK
- MUSTAFA ALBAYRAK
- AHMET ALBAYRAK
- Free Float

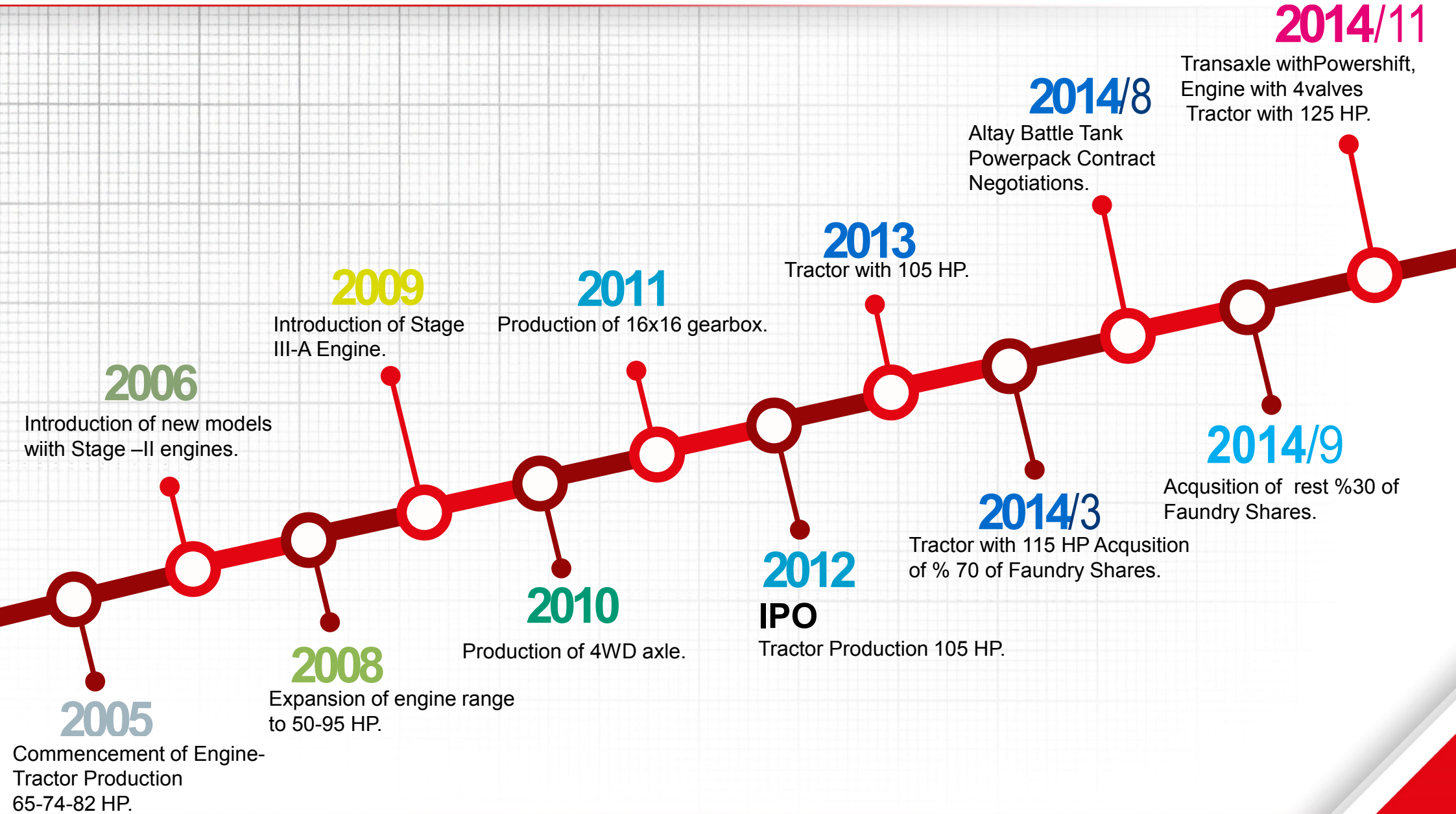
Partner	Capital (TL)	Share in Capital (%)
Ereğli Tekstil Turizm San. ve Tic. A.Ş.	76.285.492,15	66,33 %
Muzaffer ALBAYRAK	2.000.000,00	1,74 %
Bayram ALBAYRAK	2.000.000,00	1,74 %
Nuri ALBAYRAK	2.000.000,00	1,74 %
Kazım ALBAYRAK	2.000.000,00	1,74 %
Mustafa ALBAYRAK	2.000.000,00	1,74 %
Ahmet ALBAYRAK	2.000.000,00	1,74 %
Free Float	26.714.507,84	23,23 %
TOTAL	105.000.000	100 %

**TL 115 Mn CAPITAL
POST IPO**

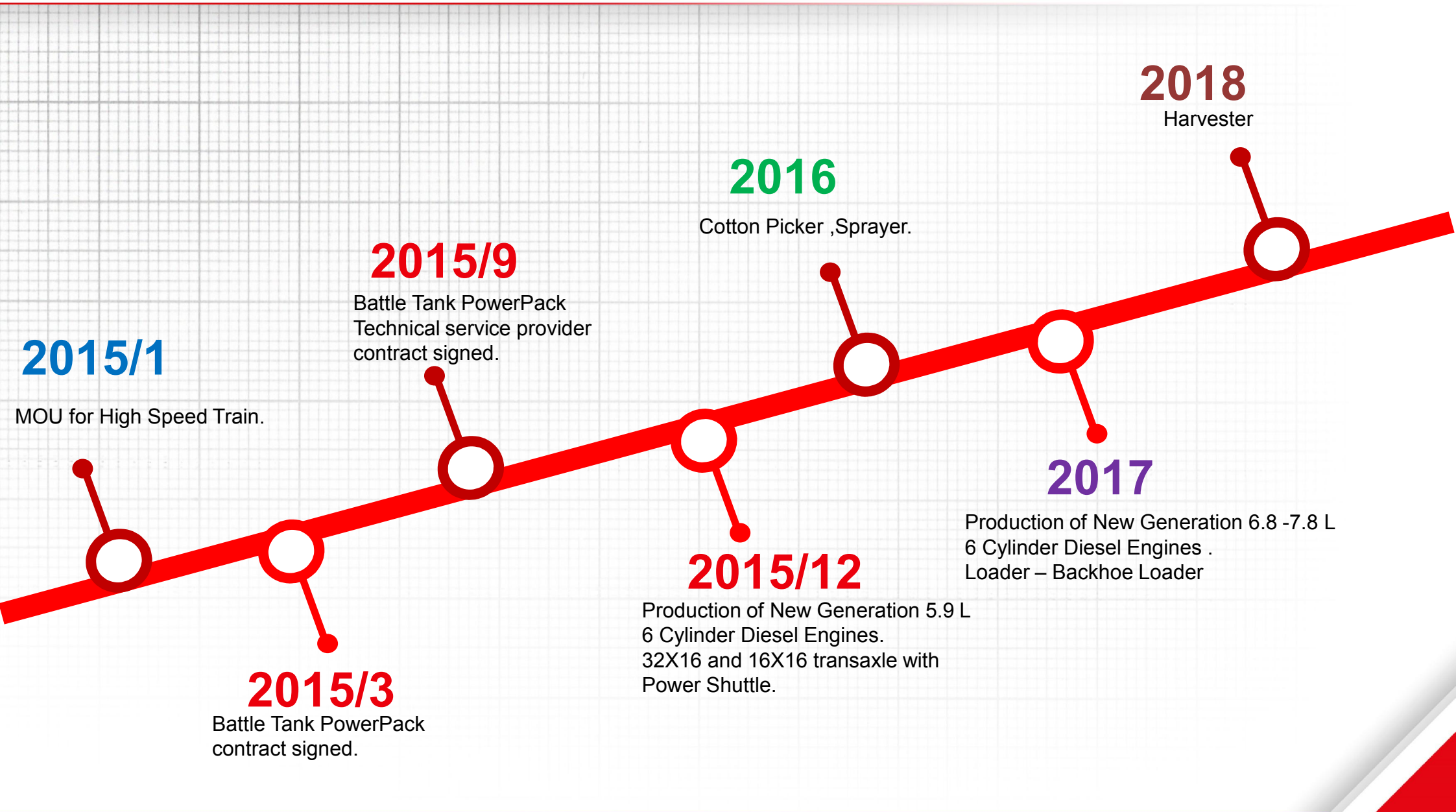
Milestones - After Privatisation



Milestones - After Privatisation



Milestones - After Privatisation



Dealers and Services Network



92 Dealers and **400 authorized** services located in **65 cities**.

Dealers and Services Network

- Ireland
- France
- Moldova
- Bulgaria
- Macedonia
- Kosova
- Serbia
- Algeria
- Tunisia
- Palestine
- Jordan



Research and Development Projects

Completed Projects

- 115 HP Tractor.
- 4WD Front Axle.
- 16x16 Gear Box.
- Stage III-A and Diesel Engine.
- Stage III-B Diesel Engine.

Ongoing Projects

- 4 Valve 4 cylinder 125 HP and 4 valve 6 cylinder 135 – 215 HP engine.
- 24x24, 32X16 Gear Box.
- 16x16 Full Powershift Transmission.
- Stage IV 6 cylinder 6.8/7.8L new generation engines.
- Cotton Picker.
- ECU - TCU
- Sprayer.

R&D Expenditure Breakdown

Projects, Million TL	2014	2015	2016	2017
4 Valve 4 and 6 Cylinder Diesel Engine	0,4	2,0	2,8	-
32x16 Gear Box	0,1	0,8	-	-
16x16 Full Powershift Transmission	0,2	-	-	-
Stage IV 6 Cylinder	3,7	1,5	2,7	1,1
Cotton Picker	2,2	1,3	1,8	-
Sprayer	-	0,6	1,5	-
ECU – TCU Design	0,1	1,3	1,8	-
Telehandler	-	1,1	1,7	1,2
Backhoe Loader	-	0,3	1,9	1,4
Loader	-	0	0,7	1
TOTAL	6,7	8,9	14,9	4,7

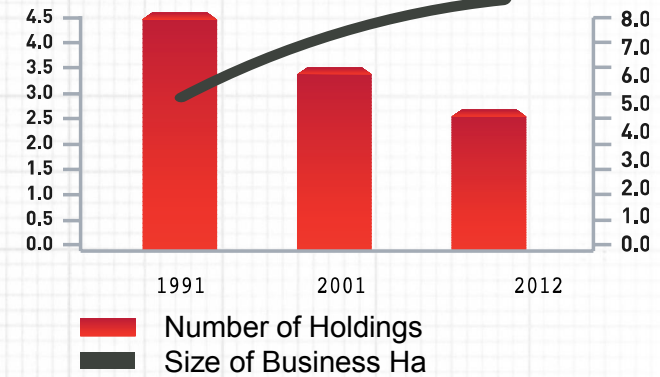
Agricultural Sector



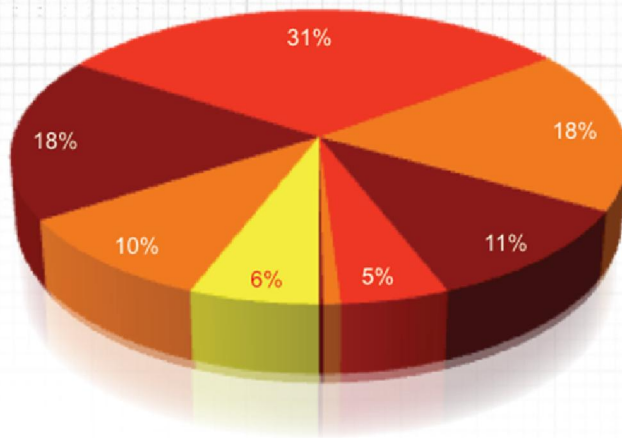
Agricultural Sector

- **24.5 Million hectares** of the existing **38 Million** agricultural land is being cultivated.
- Turkey is amongst the first 15 countries in the world with the size of cultivated agricultural land.
- The number of holdings decreased 4 to 2.3 Million.
- Average land size of holdings increased from 4.7 to 7 hectares.

Agricultural Holdings



Land Distribution



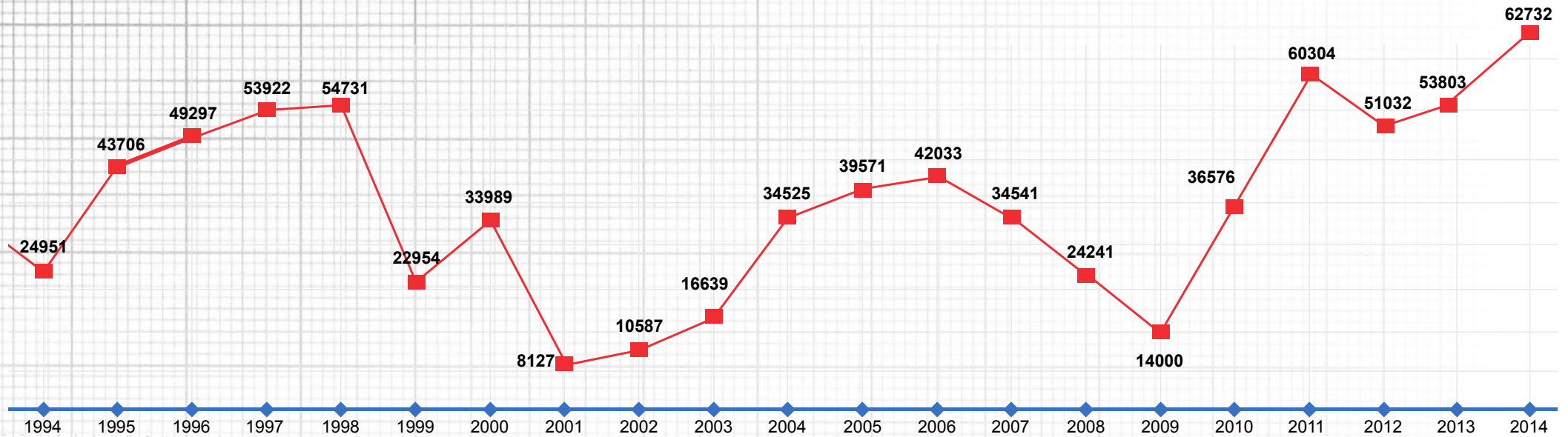
2015 Outlook

- Favorable weather conditions.
- Interest rate discount of agricultural credits continue.
- Negative impact of elections and circus in Syria,Irak etc.

Tractor Market



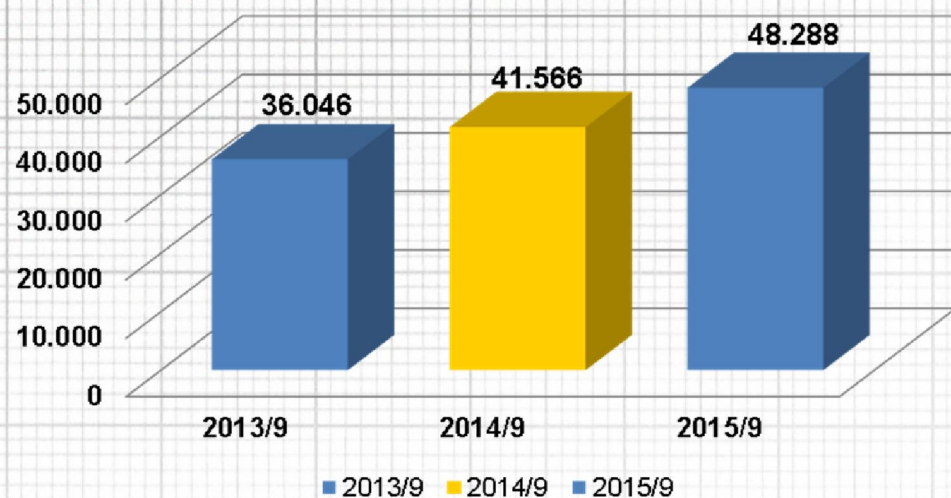
Tractor Market of Turkey



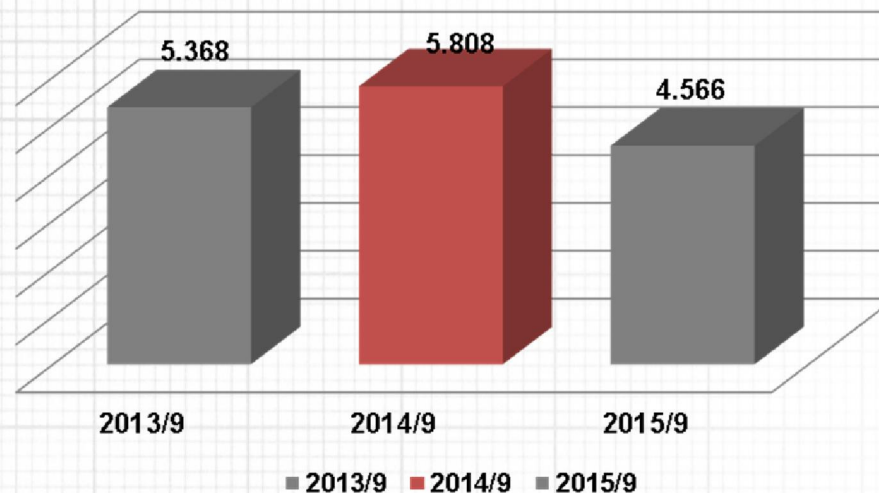
AVERAGE 35.346 TRACTORS.

Tractor Market of Turkey

2013 – 2015 Tractor Market



2013-2015 TUMOSAN Sales

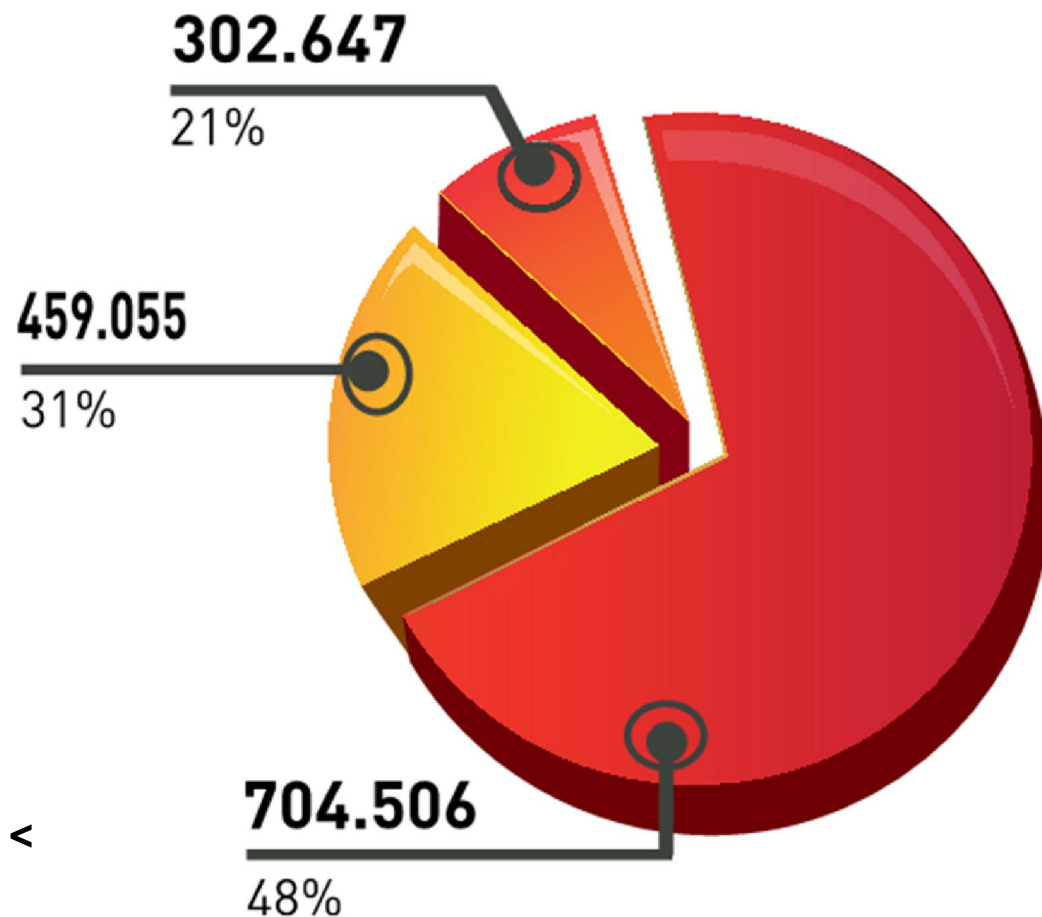


	2013/9	2014/9	2015/9
TOTAL	36.046	41.566	48.288
TUMOSAN	5.368	5.808	4.566

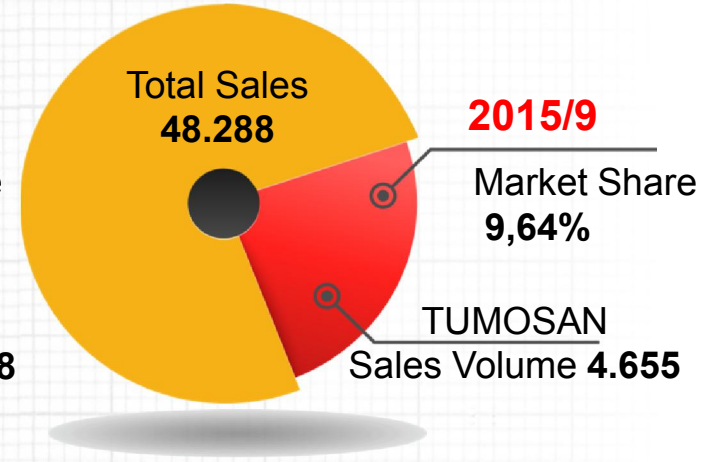
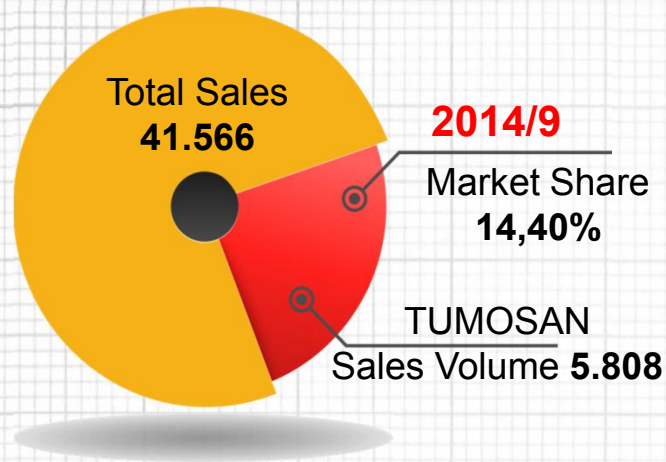
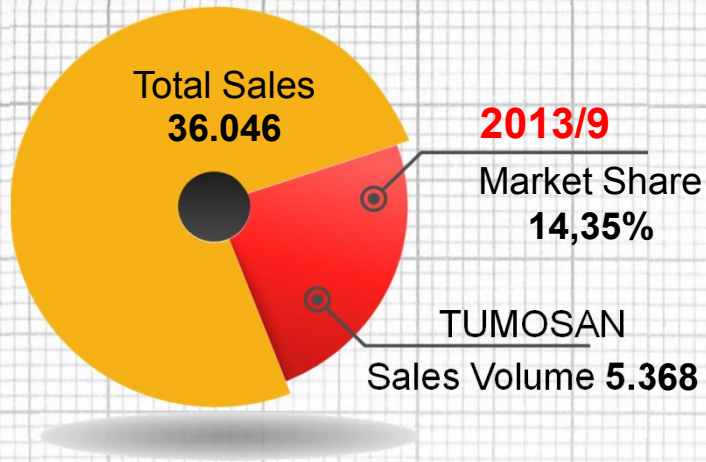
Tractor Park

- The size of tractor park is 1.500.000.
- Average age is 23 years.
- The average age of 704.000 tractor is 34 years old.
- Government has a plan to modernize the park with a scrap incentive program.

● 25 years > ● 10-25 years ● 10 years <

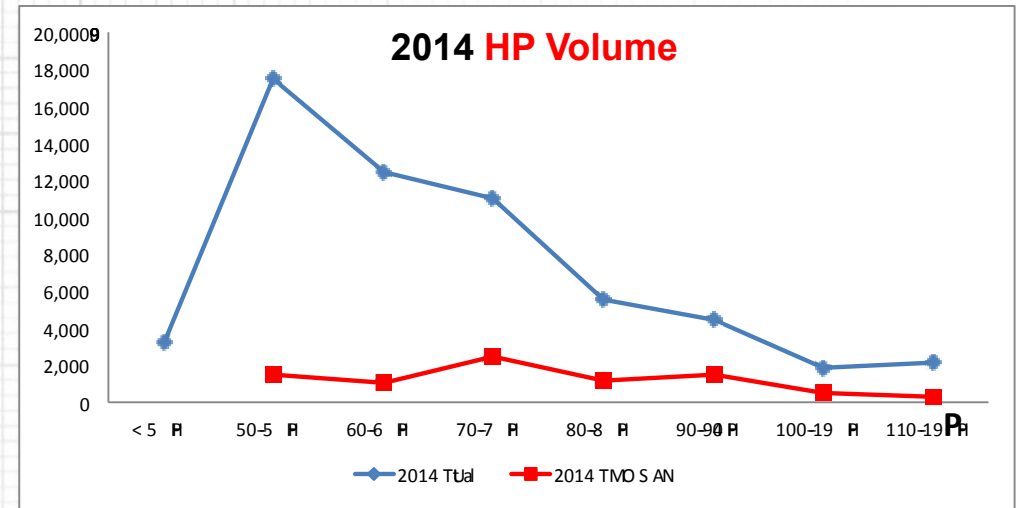
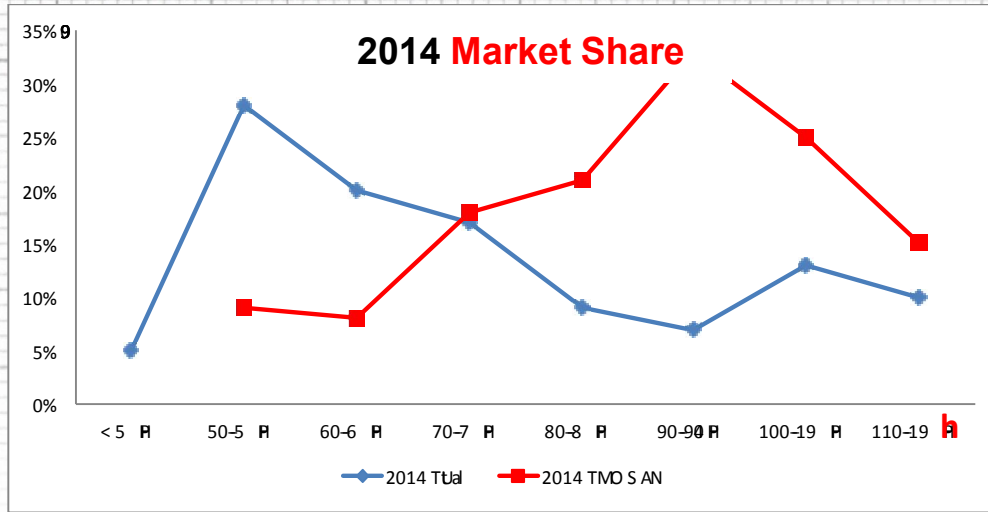


Sales Volume (Turkish Statical Institute Figures)



SALES VOLUME (TSI)	2013/9	2014/9	2015/9
TUMOSAN Sales Volume	3.349	3.643	3.238
Total Sales	36.046	41.566	48.288
Market Share	41,35%	14,40%	9,64%

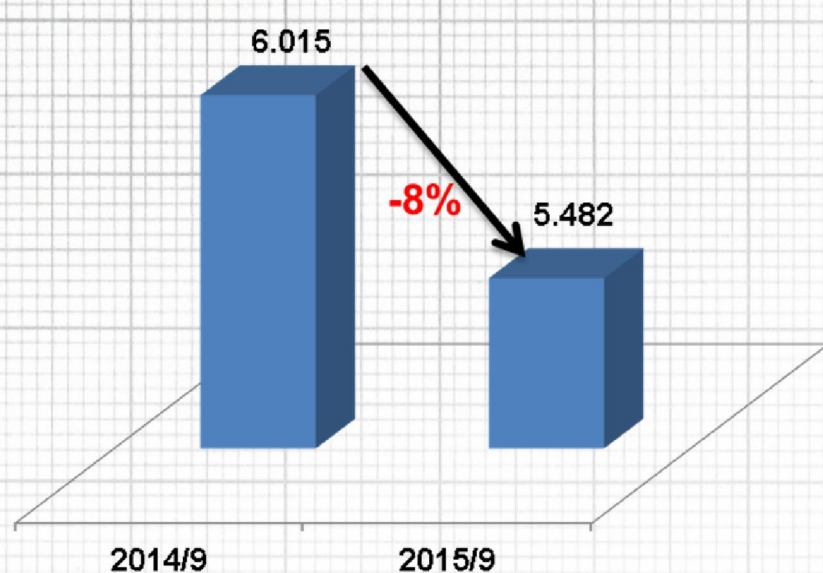
HP Assessment



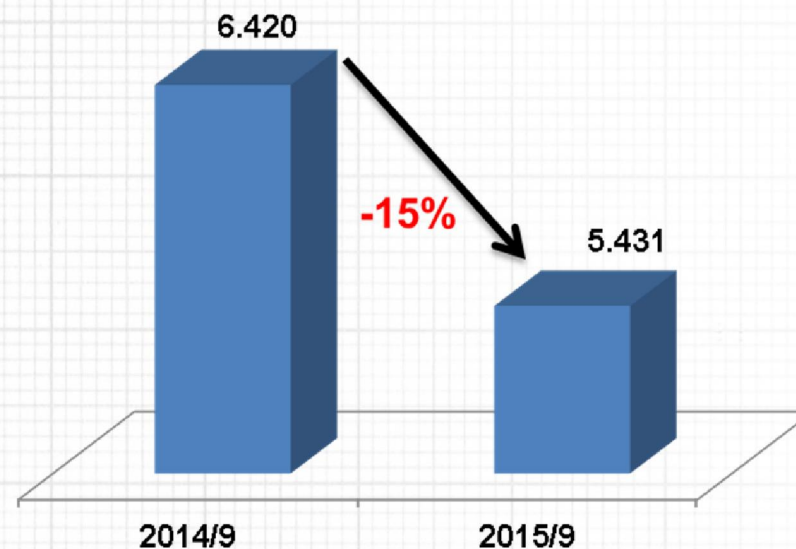
HP	2014 Total	2014 TUMOSAN	2014 Market Share	2014 TUMOSAN Market Share
< 50 HP	3.212	-	5%	-
50-59 HP	17.476	1.508	28%	8,6%
60-69 HP	12.486	1.036	20%	8,2%
70-79 HP	10.964	2.485	17%	17,68%
80-89 HP	5.594	1.196	9%	21,38%
90-99 HP	4.427	1.472	7%	33,25%
100-109 HP	1.855	459	13%	24,74%
110-149 HP	2.136	285	10%	15%

TUMOSAN Sales Volume (Sales to Dealers)

TÜMOSAN Sales

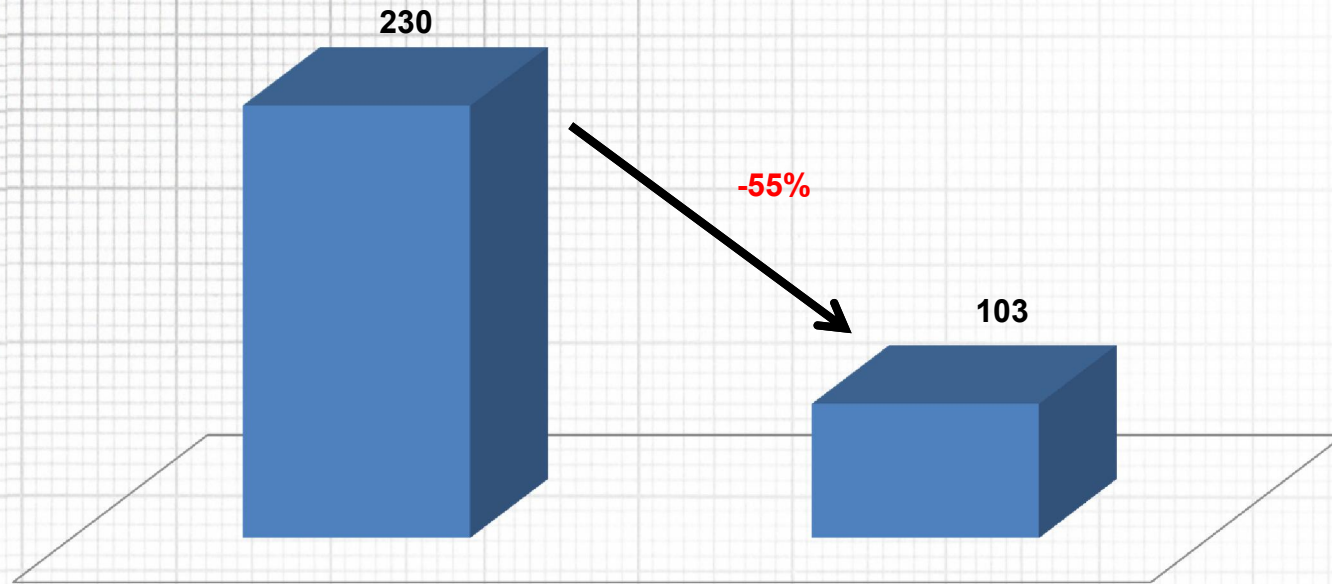


TUMOSAN Production



Sales and Production	2014/9	2015/9	%
Sales (Sales to Dealers)	6.015	5.482	-8%
Production	6.420	5.431	-15%

TUMOSAN Export Volume



	2014/9	2015/9	%
EXPORT	230	103	-55%

Financial Review



Financial Review

Million TL	2015/9	2014/9
Revenues	322.7	310.3
Gross Profit	70.8	48
Margin	21%	15%
Operating Profit	33.3	26.9
Margin	10%	8%
EBITA	32.5	23.9
Margin	10%	7%
Net Income	27.1	19.4
Margin	8%	6%

Comparative Balance Sheet

Liquid Asset Mn TL	2015/9	2014/9
Cash and Cash Equivalents	10.5	2.4
Financial Investment	-	0.07
Commercial Receivables	98.4	96.7
Commercial Receivables from Non- Affillates	91.4	96.7
Commercial Receivables from Affilliates	7	-
Other Receivables	10.6	-
Receivables from Affilliates	10.5	-
Other Receivables from Affilliates	0.1	-
Stocks	104	114.4
Prepaid Expenses	6.3	0.05
Other Liquid Asset	10.9	20.8
Current Income Tax Assets	-	-
Total Liquid Assets	240.7	234.4
Fixed Assets Mn TL	2015/9	2014/9
Other Receivables	-	6.1
Other Receivables from Affilliates	-	6.1
Investment Properties	2	1.6
Property,Plant and Equipment	93.6	89.4
Intangible Fixed Assets	-	9.9
Other Intangible Fixed Assets	19	9.9
Other Fixed Assets	-	0.2
Total Fixed Assets	114.6	107.2
Total Assets	355.4	341.6

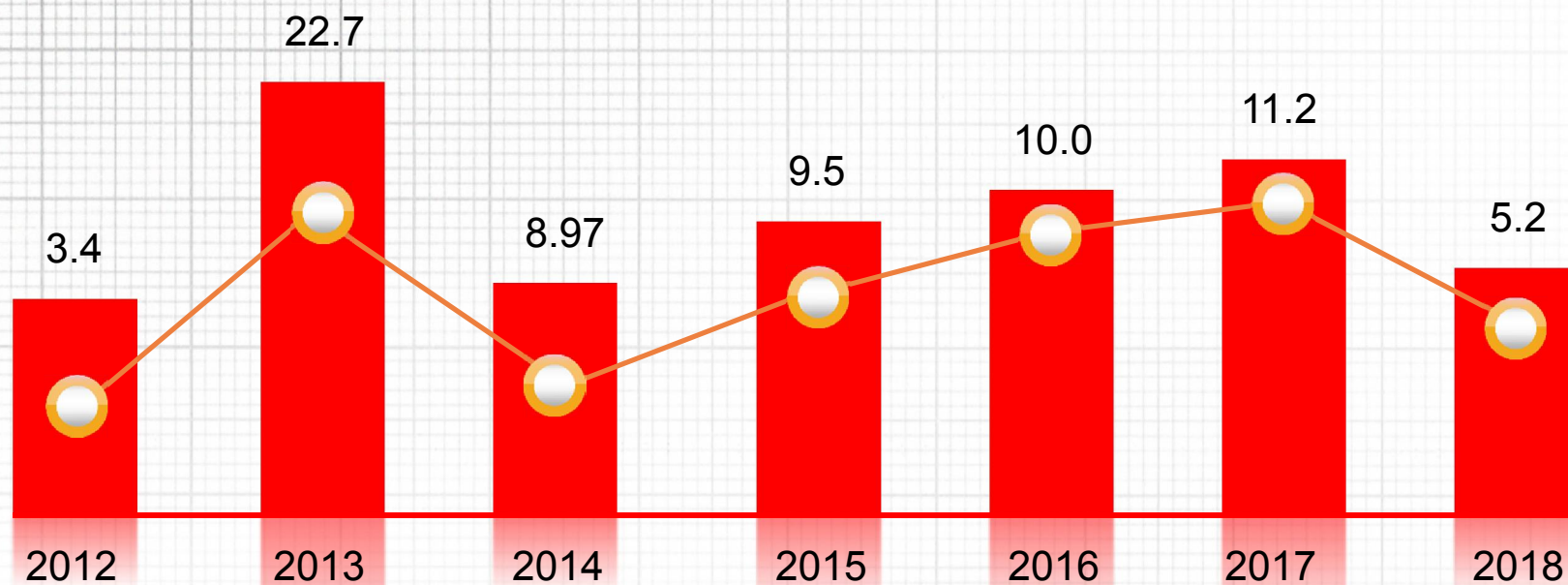
Comparative Balance Sheet

Short Term Liabilities, Mn TL	2015/9	2014/9
Short Term Loans	29.4	41.3
Current Portion of Amounts Payables after One Year	-	-
Other Financial Liabilities	2.1	-
Trade Payables	45.6	63.2
Current Payables to Affiliates	0,6	-
Current Payables to Non- Affiliates	45	63.2
Due from Employee Benefits	3	1.2
Deferred Income	6.1	2.1
Current Tax Provision	-	-
Period Income Tax Liability	1.3	0.6
Short Term Provisions	7.2	5
Short Term Provisions for Employee Benefits	0.7	0.5
Other Short Term Provisions	6.5	4.5
Other Short Term Liabilities	0.7	-
Other Liabilities	0.1	0.4
Total Short Term Liabilities	95.5	113.8
Long Term Liabilities, Mn TL	2015/9	2014/9
Long Term Loans	-	-
Long Term Provisions	3.1	1.9
Long Term Provisions for Employee Benefits	3.1	1.9
Deferred Tax Liability	0.9	1.1
Total Long Term Liabilities	4	3
Equities, Mn TL	2015/9	2014/9
Paid-up Capital	115	115
Share Premiums	13.1	13.1
Restricted Profit Reserves	13.8	10.5
Capital Reserves	0.5	-
Actuarial Gain/Loss Fund from Pension Plan	0.2	0.6
Reserves on Retained Earnings	-	29.6
Non-Current Assets Revaluation Fund	39.4	39.4
Losses from Previous Years	-	-
Gain from Previous Years	46.7	26
Net Income for the Period	27.1	20.3
Non- Controlling	-	1.6
Total Equities	255.8	224.7
Total Liabilities and Equities	355.4	341.6

Comparative Income Table

Real Operating Income, Mn TL	2015/9	2014/9
Sales Income	322.8	310.3
Sales Expense (-)	-251.9	-262.3
Gross Profit	70.9	48
Research and Development Expenses	-2.9	-1.4
Marketing and Sales Expenses	-27.3	-13.4
Administrative Expenses	-9.8	-5.6
Other Operative Income	7.5	2.6
Other Operative Expenses	-5.1	-3.2
Operating Profit	33.3	27
Investment Activities Income	0.08	0.01
Financial Income	5.1	1.7
Financial Expenses	-6	-4.7
Pretax Profit	32.5	24
Period Tax Expenses	-5.5	-4.7
Deferred Tax Income/ Expenses	0.1	0.2
Net Period Income	27.1	19.5
Revaluation Fund *[Actuarial Gain/Loss for Employee Benefits]	0.3	-0.4
Tax Influence	-0.07	-
Total Comprehensive Income	27.4	19.1

Capex Development Expect Casting (TL Mn)



Capex Items

- **Installed tractor production capacity to be increased to 60.000.**
- **Modernization of paint shop.**
- **Expansion of Automated Guided Vehicle (AGV) application at assembly and material handling.**
- **Shift from manual to compressed air tools for manpower and energy efficiency.**
- **Upgrade of existing machining lines.**
- **Be prepared to produce new generation diesel engines.**

Capex Breakdown

Items	2014	2015	2016	2017	2018
Capacity Increase	0.94	1.2	0.5	0.5	0.5
Production Line Modernization	7.01	7.1	9	10.2	4.2
Construction & Maintenance	1.02	1.2	0.5	0.5	0.5
Total TL Mn	8.97	9.5	10.0	11.2	5.2

Ownership Structure - TD



PARTNER	Capital (TL)	Share in Capital (%)
TUMOSAN	10.000.000	%100
Total	10.000.000	%100

Tumosan Foundry

Established in	2013	2014
Employees	33	39
Capacity (T/Y)	5.000	6.000
Cost Alloy	Grey Iron	Grey Iron
Moulding	Automatic-Horizontal	Automatic-Horizontal
Market Value	21.999.627,00 TL	21.999.627,00 TL

Income/Profit Realistic&Expectations

YEAR	CAPACITY (T/Y)	PREDICTION(T)	INCOME (TL)	PROFIT (TL)
2014	6.000	5.100	17.875.000	1.787.500
2015	12.000	?	19.250.000	2.062.000
2016	24.000	?	74.800.000	7.480.000
2017	24.000	?	74.800.000	7.480.000
2018	44.000	?	112.750.000	12.250.000

Strategy



Strategy Guidance



Thank You...

For further information please e-mail
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