



BRISA

2014 Q3 BULLETIN

Istanbul Stock Exchange: BRISA
www.brisa.com.tr

LASSA

BRIDGESTONE



OtoPratik
"Tuzi bakım ve lastik merkezini"

lastigun

lastik
com.tr

SA

DOMESTIC MARKETS

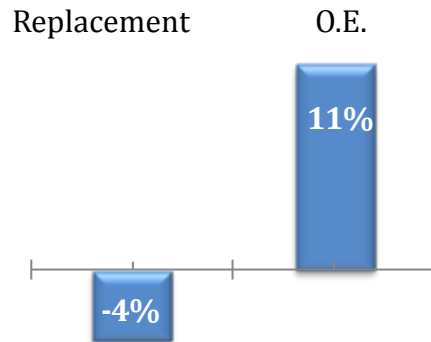
YOY GROWTH

Replacement Original Equipment

Market Brisa Market Brisa



However Brisa sales in tonnage terms;



thanks to the higher performance of Brisa in OE market.

Market Developments

- In replacement market the shrinkage in light commercial tyres is higher than passenger and truck-bus tyres.
- Vehicle sales in domestic market contracted by 19% in Jan-Sep period.
- Exports of OEM producers increased by 6%, thanks to this, total OEM production is in line with last year.
- Brisa increased its commercial tyres sales to OEM producers by 40% .
- “ Bridgestone Box ” mobile sales channel was introduced in İzmir/Çeşme as an innovative sales channel.
- Brisa started technical and commercial negotiations with new OEM’s for 2015&2016.

Key Market Developments

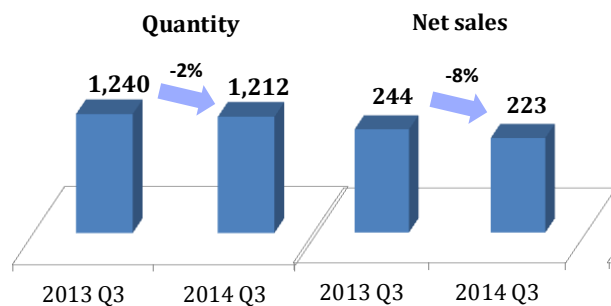
- Despite the political unrest in Libya, Iraq, Syria and the restriction on Iran operations, sales of Middle East are still higher.
- Devaluation of local currency in Russia (25%) and in Ukraine (60%) decreased the demand, overall CIS region volume is compensated through increasing sales in other Caucasian and Eastern European markets.
- Taiwan is included into Brisa portfolio in Asia-Pacific.
- Kyrgyzstan and Macedonia sales started with a new partner after 4 years.
- Lassa European region sales continued to mark a positive trend; by the end of September, whilst Europool grew by 5,4%, Lassa sales grew by 13%, total exported grew by 22% compared to 2013.
- Brisa has increased the sales share of more profitable products in strategic markets.
- USA placed anti-dumping duties to China, that caused shifting China's supply to European area.

2014 Q3 PERFORMANCE

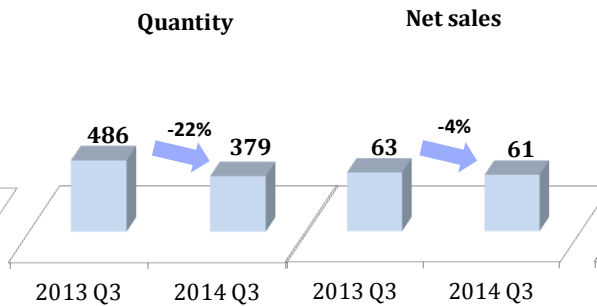
Sales Quantity: K units
Financial Indicators: M TL

SALES CHANNEL BREAKDOWN

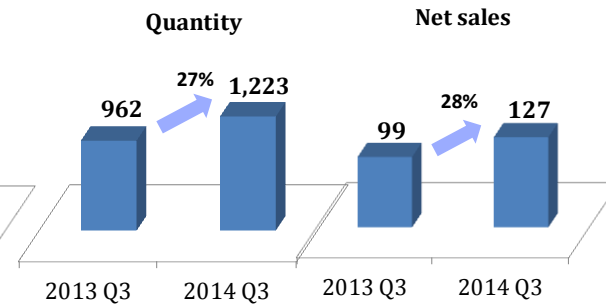
Replacement



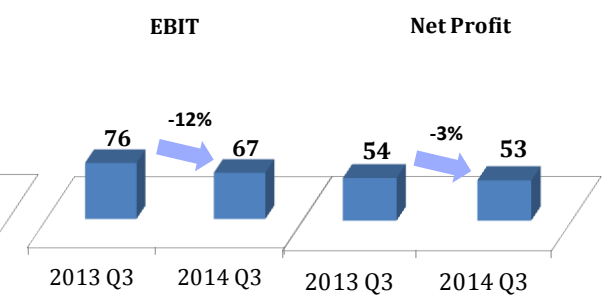
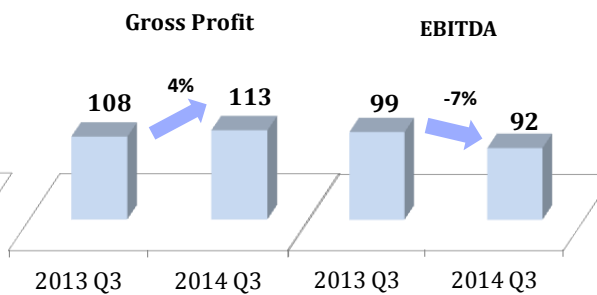
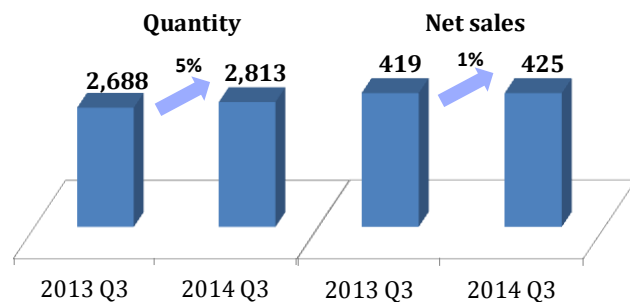
OE



Export



TOTAL SALES & PROFITABILITY



Key highlights

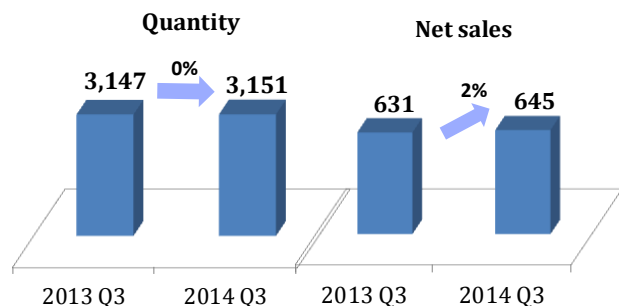
- Replacement revenue down by 8% versus 2% in quantity due to contraction in commercial tyres.
- 22% contraction in OE due to different timings of maintenance shut-downs in OEM. The growth in commercial tyres in OE limits the contraction in revenue to 4%.
- Export driven revenue growth, combined with higher profitability in all channels; gross profit up by 4%.
- Difference in expenditure timing results in lower EBIT, EBITDA and Net Profit.

2014 JAN-SEP PERFORMANCE

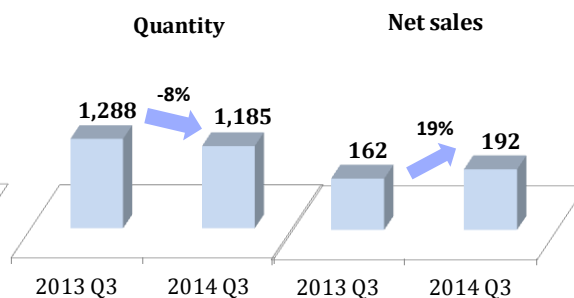
Sales Quantity: K units
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SALES CHANNEL BREAKDOWN

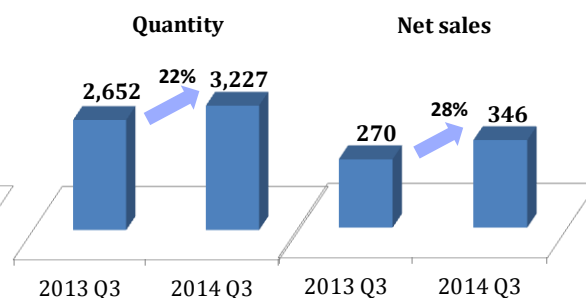
Replacement



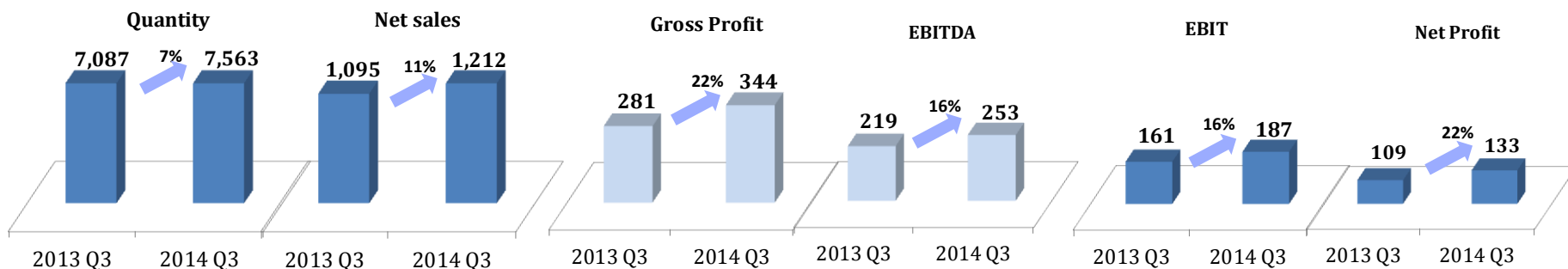
OE



Export



TOTAL SALES & PROFITABILITY



Key highlights

- Effective mix management of channels and products with higher profitability.
- Strong expense control
- Growth on export markets with new countries and customers.

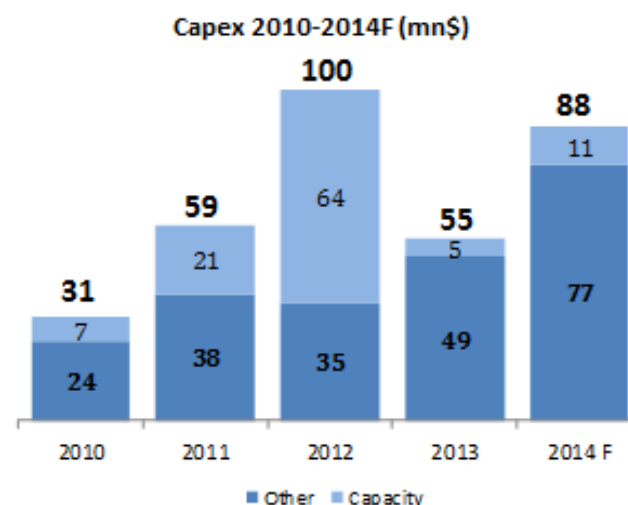
BALANCE SHEET / CASH FLOW / CAPEX

INCOME STATEMENT (000 TL)	30 September 2014	30 September 2013	%
Net Sales Revenue	1,212,294	1,095,159	11%
Gross Profit	344,462	281,001	23%
	28.4%	25.7%	
EBITDA	253,367	219,130	16%
	20.9%	20.0%	
EBIT	187,243	161,543	16%
	15.4%	14.8%	
Net Profit	133,194	108,867	22%
	11.0%	9.9%	

BALANCE SHEET (000 TL)	30 September 2014	31 December 2013	%
Cash	9,171	7,968	15%
Trade Receivables	474,385	454,204	4%
Inventory	313,424	281,134	11%
Fixed Assets	561,479	536,617	5%
Other	161,004	125,502	28%
Assets	1,519,463	1,405,425	8%
Bank Borrowings	630,903	581,750	8%
Trade Payables	189,918	190,324	0%
Other	133,201	64,905	105%
Shareholders Equity	565,440	568,446	1%
Liabilities	1,519,463	1,405,425	-8%

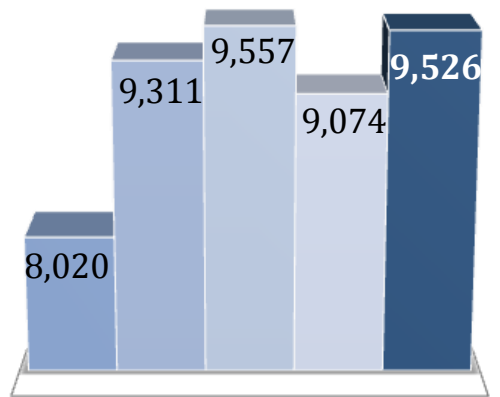
Net Trade Working Capital	597,891	545,014	10%
Net Debt to Equity	1.1	1.0	7%

Cash Flow (000 TL)	30 September 2014	30 September 2013
EBITDA	253,367	219,130
Change in Net Working Capital	(54,793)	(28,598)
Operational Cash Flow	198,575	190,532
Investment	(97,483)	(62,894)
Free Cash Flow	101,091	127,638
Dividend	(126,892)	(77,742)
Credit undertaken (Paid Back)	24,806	(19,106)
Financial expenses	(33,089)	(44,881)
Tax / Other	35,286	11,801
Beginning Balance	7,968	11,569
Ending Balance	9,171	9,280



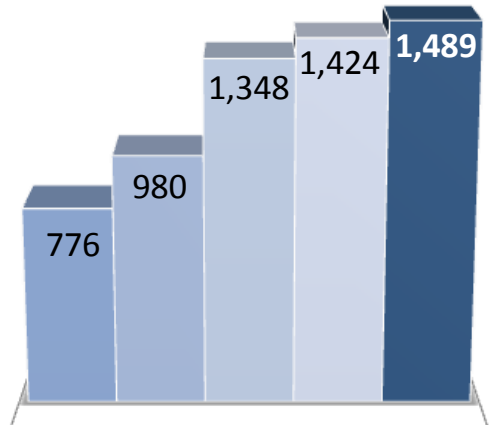
BRISA – LAST 5 YEARS PERFORMANCE

— : Margin %



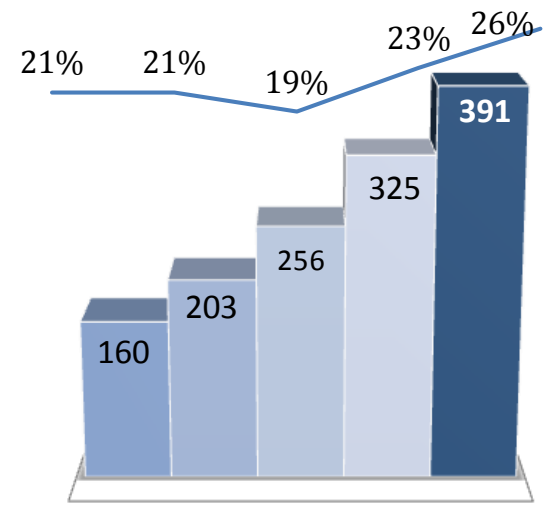
QUANTITY K Units

■ 2009 ■ 2010 ■ 2011 ■ 2012 ■ 2013



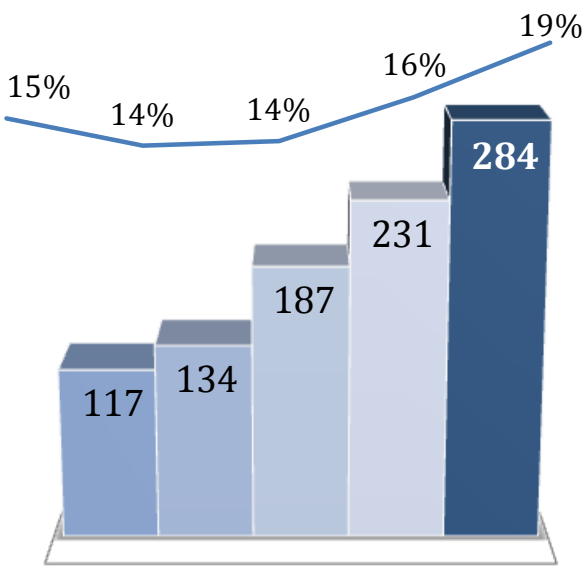
Net Sales M TL

■ 2009 ■ 2010 ■ 2011 ■ 2012 ■ 2013



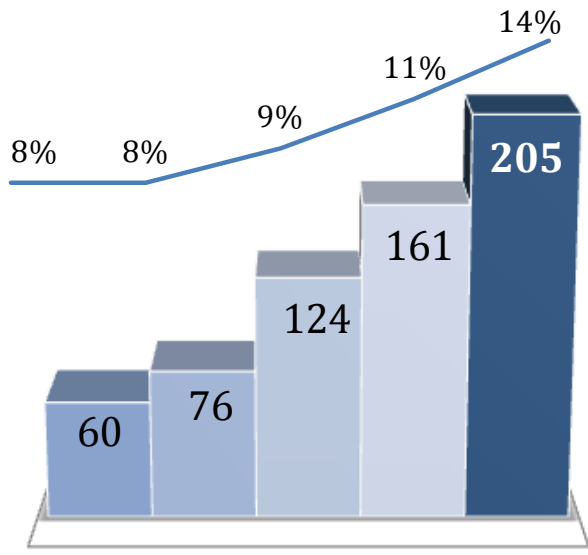
Gross Profit M TL

■ 2009 ■ 2010 ■ 2011 ■ 2012 ■ 2013



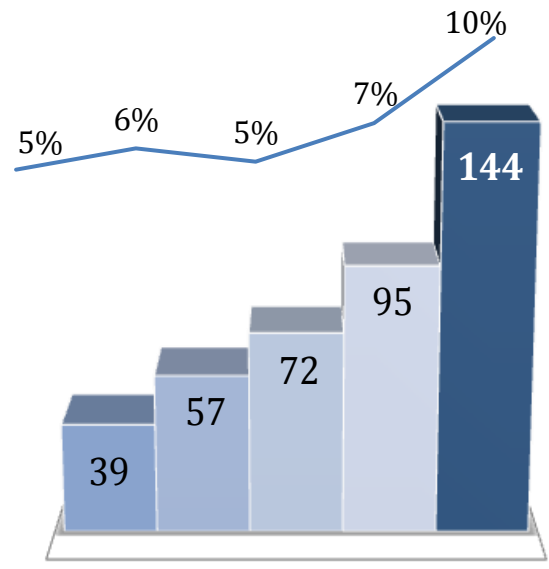
EBITDA M TL

■ 2009 ■ 2010 ■ 2011 ■ 2012 ■ 2013



EBIT M TL

■ 2009 ■ 2010 ■ 2011 ■ 2012 ■ 2013

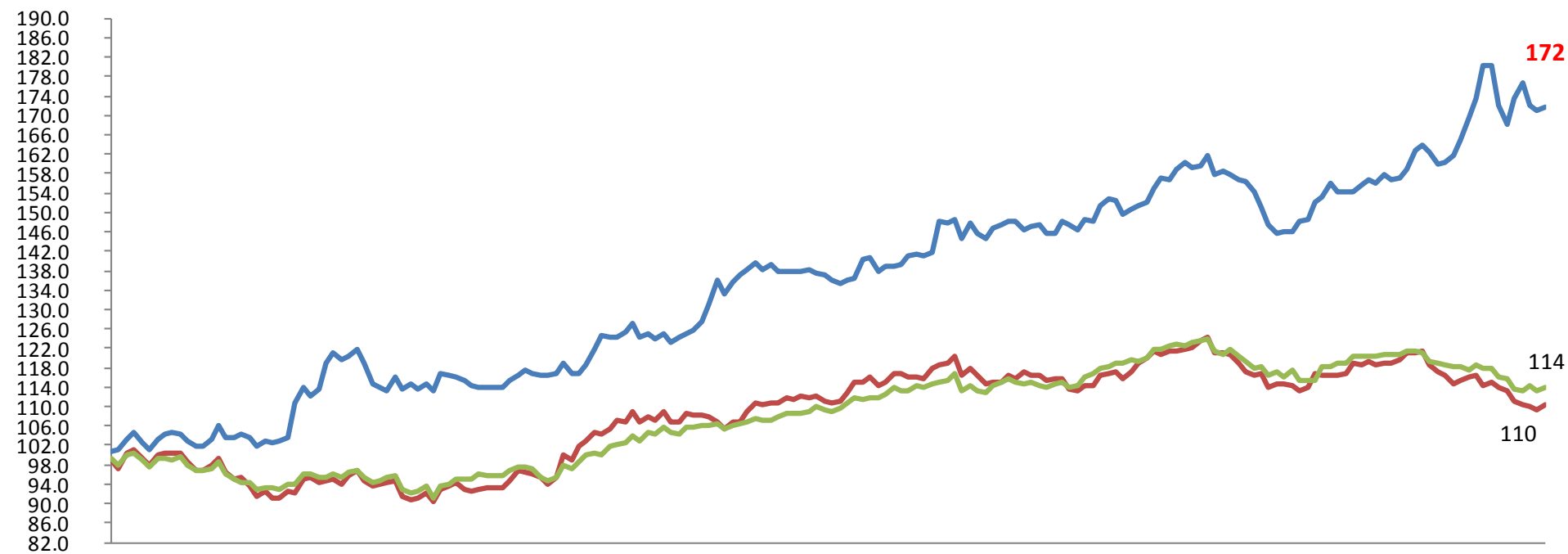


Net Profit M TL

■ 2009 ■ 2010 ■ 2011 ■ 2012 ■ 2013

BRISA - SHARE PERFORMANCE (YOY)

— BRISA — XU100 — XUSIN



Jan 2, 2014 = 100

Sep 30, 2014