



## INVESTOR BULLETIN

Q1 2019

30.04.2019

**BRIDGESTONE**

**SABANCI**

## EXPORT MARKET – 40% of BRISA REVENUE

Export volume increased in Q1 2019

	Q1		
	2019	2018	%
<b>TOTAL</b>	<b>1.494</b>	<b>1.337</b>	● 112%
EU	914	816	● 112%
Non- EU	580	522	● 111%




FULL YEAR	R1 (EU)	R2 (NON-EU)
MARKET	● -3%	● 2%
LASSA	● 7%	● 19%






Export figures consist of both Lassa and Bridgestone branded export

# REPLACEMENT MARKET- 51% of BRISA REVENUE















Tough market conditions, focusing on second quarter sales





BRISA Sales (M UNIT)	Q1		
	2019	2018	%
<b>Total</b>	<b>1,0</b>	<b>1,3</b>	 <b>74%</b>
Consumer	0,9	1,2	 <b>75%</b>
Commercial	0,1	0,2	 <b>69%</b>

BRISA M/S %	Q1		
	2019	2018	%
<b>Total</b>	<b>28%</b>	<b>32%</b>	 <b>-3,6%</b>
Consumer	28%	32%	 <b>-3,8%</b>
Commercial	29%	31%	 <b>-2,2%</b>

Market was contracted by 16% compared to same period last year

# AUTOMOTIVE MARKET – OE Market – 9% of BRISA REVENUE

	VEHICLE PRODUCTION				VEHICLE SALES				
	Q1			Q1			Q1		
	2019	2018	%	2019	2018	%	2019	2018	%
<b>TOTAL</b>	<b>363</b>	<b>429</b>	 <b>84%</b>	<b>92</b>	<b>169</b>	 <b>55%</b>			
PSR	239	285	 84%	69	122	 56%			
LCV	115	130	 89%	20	36	 54%			
Midibus	0,6	1,9	 30%	0,2	0,7	 26%			
Bus	2,2	2,1	 106%	0,2	0,4	 51%			
Truck	4,8	6,4	 76%	2,1	5,4	 38%			
Trailer	1,3	4,2	 30%	1,3	4,2	 30%			

OE TIRE MARKETS			
OE TIRE MARKETS	Q1		
	2019	2018	%
<b>TOTAL</b>	<b>1.695</b>	<b>2.001</b>	 <b>85%</b>
Consumer	1.609	1.882	 85%
Commercial	86	119	 72%
BRISA SALES (TONNAGE)			
TOTAL	Q1		
	2019	2018	%
<b>TOTAL</b>	<b>4.582</b>	<b>4.628</b>	 <b>99%</b>

# INCOME STATEMENT Q1

Exceptional growth in revenue and EBITDA

(M TL)	Q1		
	2019	2018	%
Net Sales	776	694	● 112%
Gross Profit	177	161	● 110%
%	23%	23%	
Total Expenses	(99)	(94)	● 105%
EBITDA	122	105	● 117%
%	16%	15%	
EBIT	44	76	● 57%
%	6%	11%	
Net Profit	(3)	11	● -123%
	0%	2%	

Increasing hedging costs soared Operating FX costs which resulted a pressure on EBIT and net profit

Opex/Revenue ratio is decreased by 1.2% by taking cost saving and efficiency actions

Significant growth in revenues and nominal gross profit, thanks to increase in export revenues.

Remarkable increase on EBITDA by 17% increase as of Mar-19

# BALANCE SHEET Q1

## Working capital continues to improve

(M TL)	31.03.2019	31.12.2018	
Trade Working Capital	677	565	No significant change in Net Debt/EBITDA though slight increase in net debt
Short Term Financial Debt	843	275	
Long Term Financial Debt	1.556	1.610	
Net Financial Debt	1.664	1.601	
Ratios	31.03.2019	31.12.2018	
Net Debt / Ebitda	3,2	3,2	Improvement in working capital days of Brisa is continuing. <b>6 Days</b> improvement in working capital as of 31 March 2019
Trade Working Capital Days	66	72	
Cash Flow (M TL)	2019	2018	
Operational Cash Flow	50	97	Majority of the financial debt increase stems from balance sheet hedging activities by increasing F/X cash position
Investment (-)	(59)	(44)	
Dividend (-)	-	-	
Change in Financial Debt	525	(9)	

As foreign currency denominated borrowings are hedged by Cross Currency Swap (CCS) transactions, the foreign currency losses are offset since these loans were fixed with CCS contracts obtained by the same financial institutions