



Investor Bulletin 2014 Q4





REPLACEMENT MARKET – 58% of Brisa’s Revenue



| Brisa Sales (K Units) | 2014 Q4 | 2013 Q4 | % Δ |
|-----------------------|--------------|--------------|------------|
| Consumer | 1.396 | 1.052 | 33% |
| Commercial | 192 | 161 | 19% |
| Total | 1.588 | 1.213 | 31% |

| 2014 FY | 2013 FY | % Δ |
|--------------|--------------|-----------|
| 4.126 | 3.748 | 10% |
| 613 | 611 | 0% |
| 4.739 | 4.359 | 9% |

| 2014 Market Share | 2013 Market Share | Δ |
|-------------------|-------------------|---------------|
| 34% | 30% | 3,7 PP |
| 30% | 28% | 1,7 PP |
| 33% | 29% | 3,6 PP |

- Both in Q4 and FY 2014 Brisa performed better than the market and gained market share.
- Despite domestic vehicle sales decreased by 10% in 2014, over 800 K units of vehicles have been sold as an addition to the vehicle park. This addition indicates a 5% growth in vehicle park.
- Due to the higher inch tyre usage under new vehicle registrations, the weight of these tyres groups in the market continued to increase. In 2014, replacement market in these sizes (>=16 inch) has grown more than 9%.
- 37% of all passenger car and light truck tyres in replacement market were wynter tires in 2014, similar to level of 2013.



OE MARKET – 16% of Brisa’s Revenue

| Vehicle Production (K Units) | 2014 Q4 | 2013 Q4 | % Δ |
|------------------------------|------------|------------|------------|
| Passenger | 202 | 169 | 19% |
| Commercial | 133 | 116 | 14% |
| Tractor | 12 | 10 | 15% |
| Total | 346 | 296 | 17% |

| 2014 FY | 2013 FY | % Δ |
|--------------|--------------|-----------|
| 733 | 633 | 16% |
| 437 | 492 | (11%) |
| 48 | 41 | 18% |
| 1.219 | 1.166 | 5% |

- Vehicle production increased by 5% thanks to OE producers performance especially in the last two quarters mainly supported by the export demand.
- Exports of the industry increased by 7% in 2014.

| Brisa Sales (K Units) | 2014 Q4 | 2013 Q4 | % Δ |
|-----------------------|------------|------------|-----------|
| Passenger | 321 | 318 | 1% |
| Commercial | 162 | 145 | 12% |
| Tractor | 15 | 8 | 87% |
| Total | 498 | 470 | 6% |

| 2014 FY | 2013 FY | % Δ |
|--------------|--------------|--------------|
| 1.071 | 1.260 | (15%) |
| 593 | 468 | 27% |
| 51 | 36 | 42% |
| 1.715 | 1.763 | (3%) |

- Despite lower sales in passenger tyres, thanks to high performance in commercial sales, Brisa’s market share roughly stable at 30%.
- Thanks to high volume of truck and bus tyre group, tonnage increased by 15%.
- Brisa was already nominated for 3 vehicle projects at different OEMs and starts to develop 5 different tyres for those new vehicles. Estimated total supply volume for new vehicles will be around 500K/year.



EXPORT MARKET – 26% of Brisa's Revenue

| Export Sales (K Units) | 2014 Q4 | 2013 Q4 | % Δ |
|------------------------|------------|------------|-----------|
| EUROPE | 435 | 424 | 3% |
| MIDDLE EAST | 265 | 232 | 14% |
| CIS | 88 | 96 | (8%) |
| Total | 788 | 752 | 5% |

| 2014 FY | 2013 FY | % Δ |
|--------------|--------------|------------|
| 2.505 | 2.162 | 16% |
| 1.164 | 955 | 22% |
| 313 | 286 | 9% |
| 3.982 | 3.403 | 17% |

- Both expanding to new markets and concentrating in different regions of existing markets gave rise to higher growth than European market.
- Brisa grew by 16% in Europe in 2014; whereas market grew by only 2,2%.
- USA placed anti-dumping duties to China, that caused shifting China's supply to European area.
- Brisa has increased the sales share of more profitable products in strategic markets.
- Despite the shrinkage in the CIS region caused by the local currency devaluations, the non EU sales reached 1.477K with a 19% increase compared to previous year.
- 19% increase in other regions realised through new countries expansion and growing rapidly in existing locations.

TOTAL SALES AND REVENUE BREAKDOWN

| K Units | 2014 Q4 | 2013 Q4 | % Δ | 2014 FY | 2013 FY | % Δ |
|--------------------|---------|---------|-----|---------|---------|-----|
| Total | 2.875 | 2.439 | 18% | 10.436 | 9.526 | 10% |
| <i>Replacement</i> | 1.588 | 1.213 | 31% | 4.739 | 4.359 | 9% |
| <i>OE</i> | 498 | 475 | 5% | 1.715 | 1.763 | -3% |
| <i>Export</i> | 789 | 751 | 5% | 3.982 | 3.403 | 17% |

| REVENUE - M TL | 2014 Q4 | 2013 Q4 | % Δ | 2014 FY | 2013 FY | % Δ |
|--------------------|---------|---------|-----|---------|---------|-----|
| Total | 481 | 394 | 22% | 1.693 | 1.490 | 14% |
| <i>Replacement</i> | 326 | 255 | 28% | 1.002 | 919 | 9% |
| <i>OE</i> | 70 | 61 | 14% | 265 | 223 | 19% |
| <i>Export</i> | 85 | 79 | 8% | 426 | 347 | 23% |

INCOME STATEMENT

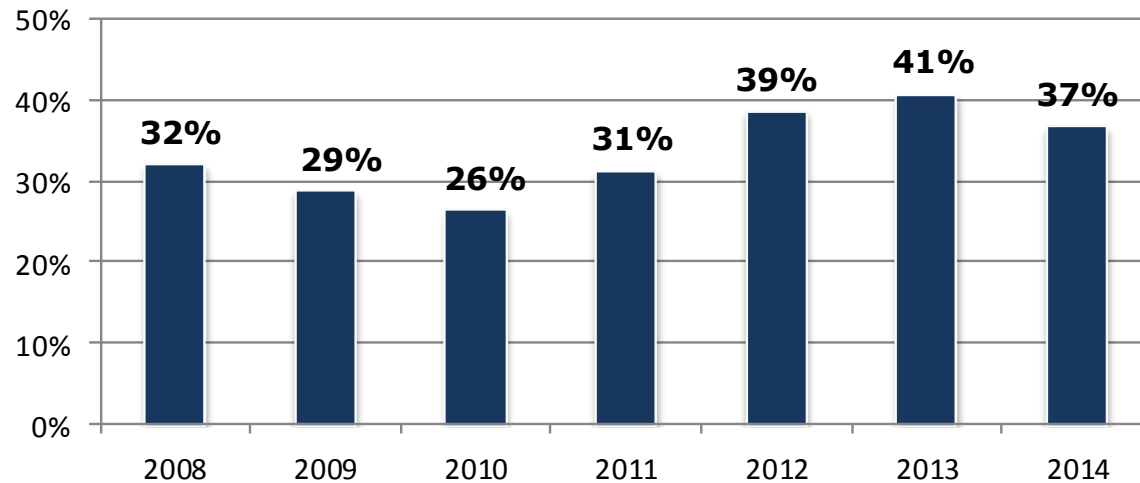
| M TL | 2014 Q4 | 2013 Q4 | % Δ | 2014 FY | 2013 FY | % Δ |
|--------------|---------|---------|-------|---------|---------|-------|
| Net Sales | 481,2 | 394,3 | 22,0% | 1.693,5 | 1.489,5 | 13,7% |
| Gross Profit | 142,9 | 110,2 | 29,7% | 487,4 | 391,2 | 24,6% |
| | % 29,7% | 27,9% | | 28,8% | 26,3% | |
| EBITDA | 105,0 | 64,6 | 62,5% | 358,2 | 283,6 | 26,3% |
| | % 21,8% | 16,4% | | 21,2% | 19,0% | |
| EBIT | 76,4 | 43,6 | 75,2% | 263,7 | 205,1 | 28,6% |
| | % 15,9% | 11,1% | | 15,6% | 13,8% | |
| Net Profit | 53,1 | 35,4 | 50,1% | 186,3 | 144,3 | 29,1% |
| | % 11,0% | 9,0% | | 11,0% | 9,7% | |

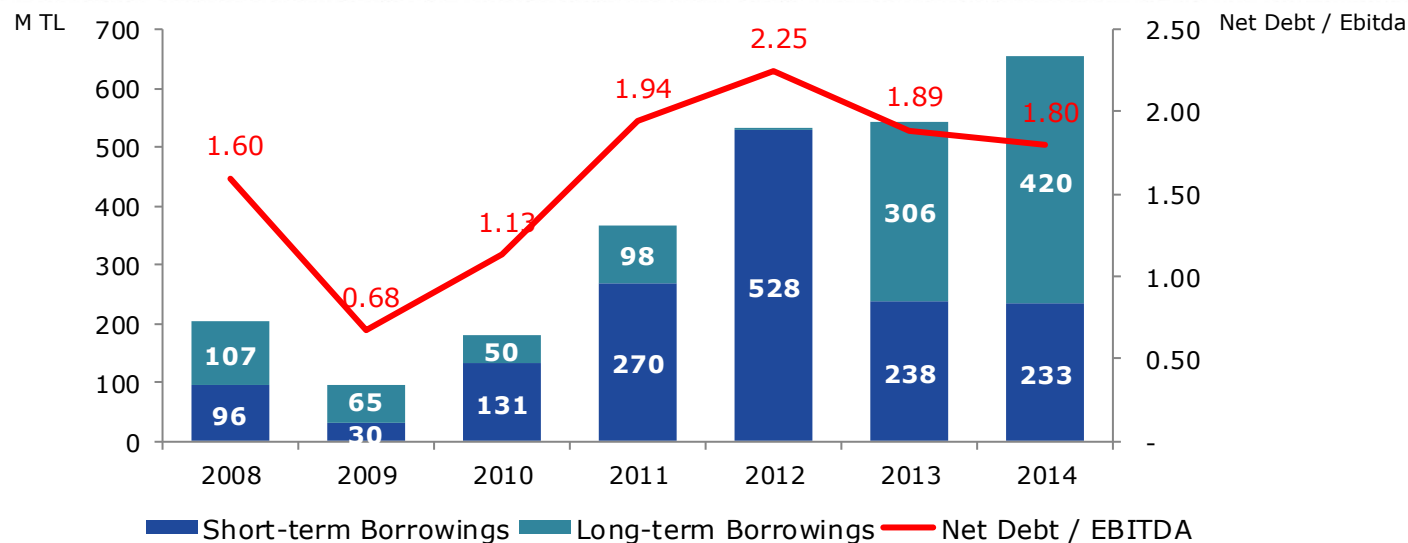
| M TL | 31.12.2014 | 31.12.2013 | | 31.12.2014 | 31.12.2013 |
|---------------------|--------------|--------------|----------------------------|--------------|--------------|
| Current Assets | 973 | 844 | Current Liabilities | 507 | 468 |
| Cash | 10 | 8 | Short term bank borrowings | 249 | 249 |
| Trade Receivables | 533 | 454 | Short term trade payables | 209 | 190 |
| Inventory | 314 | 281 | Other | 48 | 29 |
| Other | 117 | 101 | | | |
| Long Term Assets | 652 | 561 | Long Term Liabilities | 514 | 368 |
| Tangible Assets | 565 | 502 | Long term bank borrowings | 474 | 333 |
| Other | 87 | 59 | Other | 40 | 35 |
| | | | Equity | 605 | 568 |
| Total Assets | 1,625 | 1,405 | Total Liabilities | 1,625 | 1,405 |

| | 31.12.2014 | 31.12.2013 |
|-----------------------------|------------|------------|
| Net Financial Debt / Equity | 1.09 | 0.96 |
| Debt / Equity | 1.69 | 1.47 |

| WC Days | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| DSO | 72 | 67 | 72 | 76 | 94 | 116 | 105 |
| DIO | 91 | 79 | 69 | 78 | 98 | 95 | 95 |
| DPO | 33 | 34 | 37 | 31 | 40 | 52 | 56 |
| Total | 130 | 112 | 104 | 123 | 152 | 158 | 144 |

Avr. Trade Working Capital / Revenue %





| | | | | | | | |
|------------|-----|-----|-----|-----|-----|-----|-----|
| Short-term | 47% | 32% | 72% | 73% | 99% | 44% | 36% |
| Long-term | 53% | 68% | 28% | 27% | 1% | 56% | 64% |

TOTAL BANK LOANS

31.12.2014

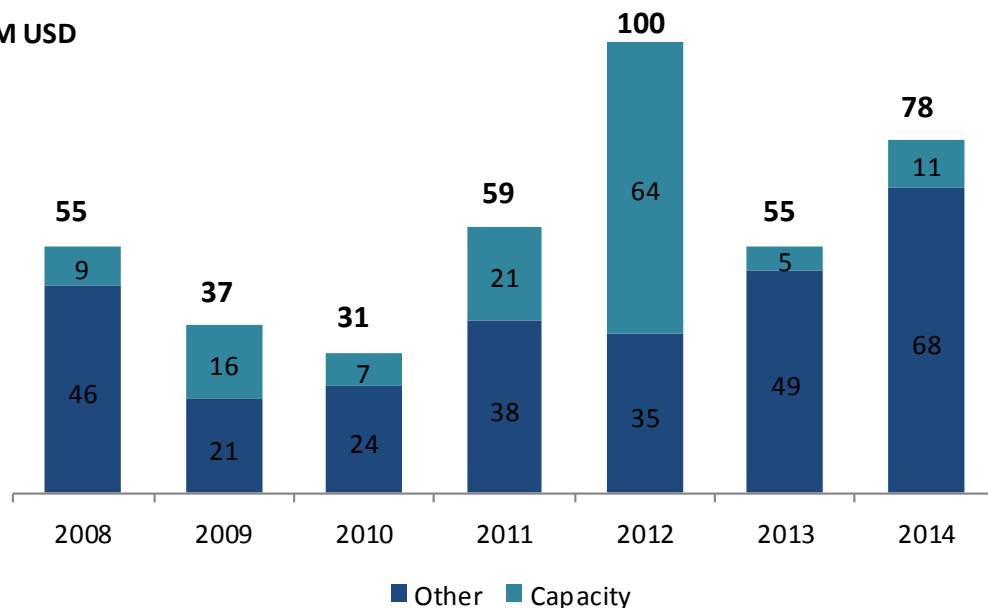
| M TL | Amount | Effective Rate (%) |
|--------------------|------------|--------------------|
| EUR | 15 | 2.1% |
| USD | 6 | 1.5% |
| TL | 597 | 8.9% |
| Total in TL | 653 | |



CASH FLOW AND CAPEX

| Cash Flow (K TL) | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|-------------------------------|-----------------|----------------|-----------------|-----------------|-----------------|----------------|----------------|
| EBITDA | 125.636 | 117.276 | 134.077 | 187.428 | 231.382 | 283.624 | 358.153 |
| Change in Working Capital | (70.628) | 73.289 | (103.635) | (177.375) | (71.067) | (7.195) | (92.242) |
| Operational Cash Flow | 55.008 | 190.565 | 30.442 | 10.053 | 160.315 | 276.429 | 265.911 |
| Investment | (74.103) | (58.677) | (44.448) | (109.036) | (186.867) | (109.468) | (167.948) |
| Free Cash Flow | (19.095) | 131.888 | (14.006) | (98.983) | (26.552) | 166.962 | 97.963 |
| Dividend | (51.620) | (28.905) | (35.297) | (51.432) | (71.219) | (77.742) | (126.892) |
| Credit undertaken/(Paid Back) | 127.280 | (111.843) | 90.225 | 174.637 | 165.690 | 1.091 | 112.570 |
| Financial Expenses | (21.694) | (10.397) | (6.178) | (17.692) | (34.029) | (52.806) | (50.982) |
| Tax / Other | (36.132) | 31.936 | (19.458) | (32.597) | (27.265) | (40.424) | (30.780) |
| Beginning Balance | 3.626 | 2.365 | 15.045 | 30.330 | 4.263 | 10.888 | 7.968 |
| Ending Balance | 2.365 | 15.045 | 30.330 | 4.263 | 10.888 | 7.968 | 9.847 |

M USD



- Total 420 mn USD investment in the last 7 years
- 133 mn USD of this amount is only capacity related
- Other investment mainly consist of maintenance capex at the plant including efficiency improvement projects, environmental investment, IT investments and investment to sales points/dealers



BRISA – LAST 5 YEARS PERFORMANCE



— : Margin %

