



BRI SA

Investor Presentation

December 2020

BRIDGESTONE

SABANCI

COVID-19 – Fast Adaption&Strong Business Continuity

Health and Safety First

Employees

Precautions at all locations
Home Office and short term employment
Digital Work Place
Future of Work
«Yerini Bildir Sağlam Kal»



Society

Support for Provincial Health Directorates of Aksaray and Izmit
Free 4.000 of tires for Healthcare Providers
1.3 tons of disinfectants and 1.700 medical uniform
Free disinfection at BS, Lassa&Otopratik sales points



Business Partners& Customers

Launch of Brisaliyiz.biz loyalty platform
Online dealer support program
Lastik.com.tr, mounting at the door service in all over Turkey
Mobile services via Brisa dealers



Turkish Standards Institution (TSE) COVID-19 Safe Production Certificate
First in tyre sector

Brisa at a Glance



Strong Partnership

Sabancı Holding (43,64%), Bridgestone (43,64%) Free float (10,2%), Other (2,5%)

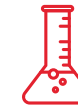


Brands, Products, Mobility Services



Manufacturing

1.8 Billion \$ investment in 30 years
İzmit - 11M Production Capacity
Aksaray - 2.5M Production Capacity



R&D Center



Sales Channels



Digital Solutions



Our Talents

2900 employees



Our Local & Global Network

1300 pos locally, 6000 pos globally, 87 countries

Strategic Opportunities

Continuing digital transformation

Future of Work

Pioneer in sustainability

Strong R&D



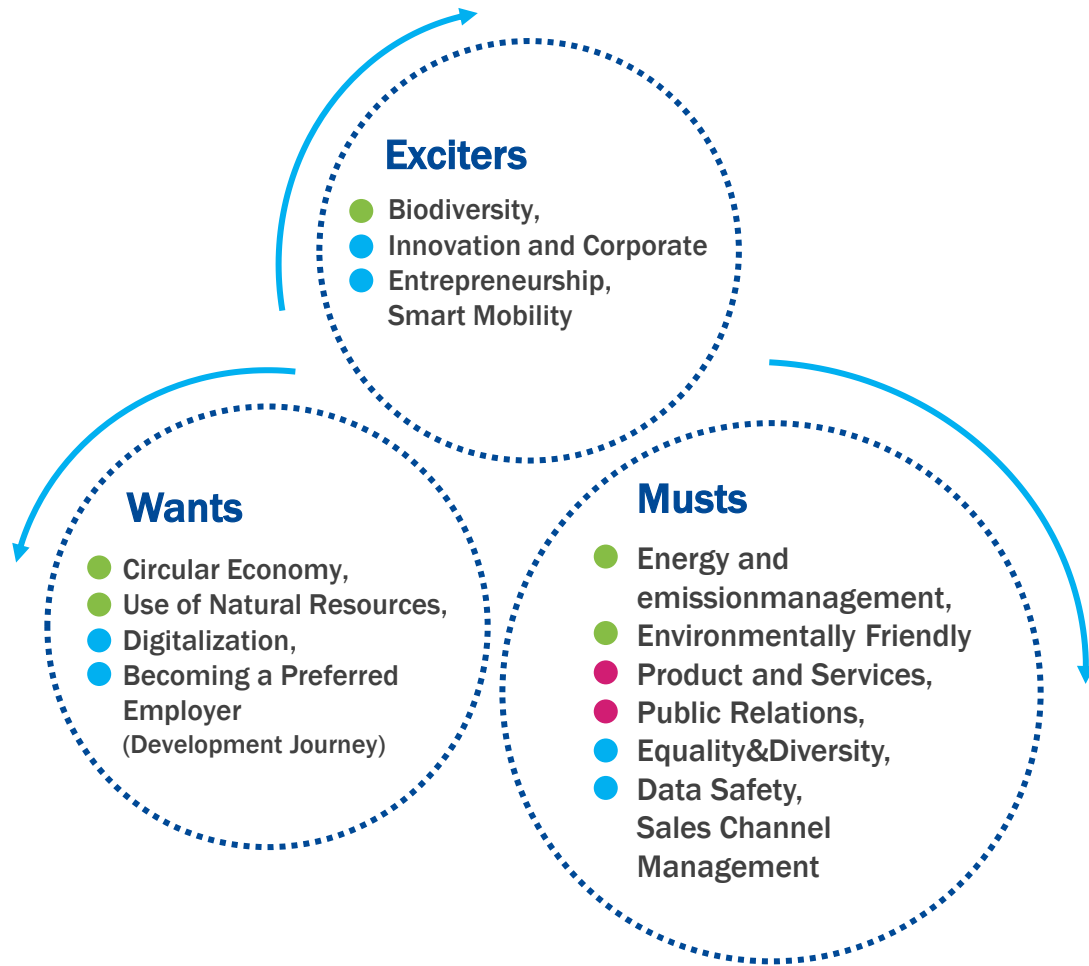
Co-operation with start-ups

Digital Fleet & tyre centric solutions

Enhance Otopratik and Propratik Business

Premium products

Sustainability: Environment, Social, Governance



Our Sustainability Report 2019 



Environment

In Carbon Disclosure Project Program, Brisa is one out of five “Turkey Climate Leaders” in 2015, 2016, 2017, 2019

Ecovadis, The World's Most Trusted Business Sustainability Ratings Provider, Silver status
Zero Landfill plants

Co-working with WWF-Turkey in biodiversity

Aksaray Plant - Bridgestone EMIA Environment Leader (Sep)

Bridgestone Global Big Award in Environment and Gold Award in Biodiversity



Social

National and Global Award Winning Projects

Equality and Diversity (TEGEP Awards)

Education – Brisa Academy, Programs to empower women, Co-working with Associations like TEV, Lasid, projects with local schools

Brisa Academy – Vocational Qualifications Authority (VQA) Certificate



Governance

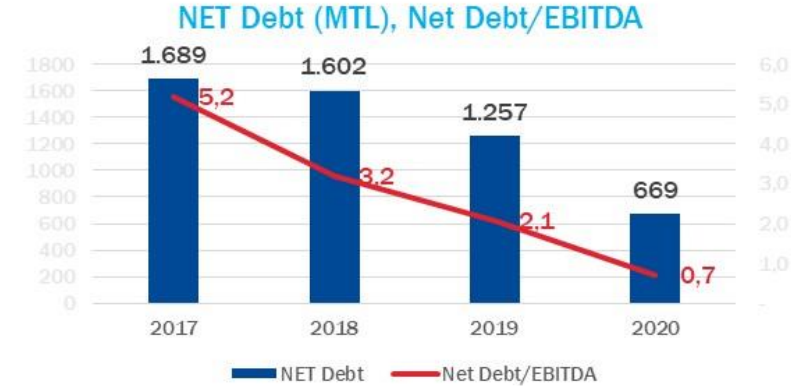
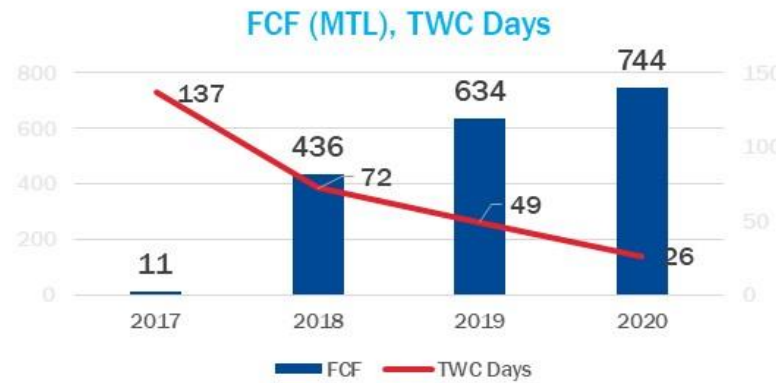
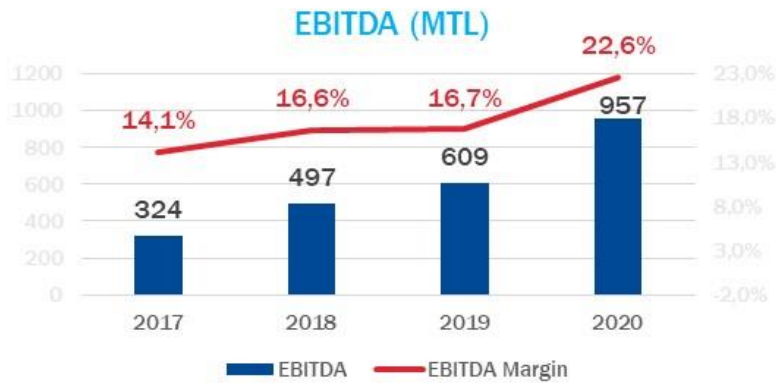
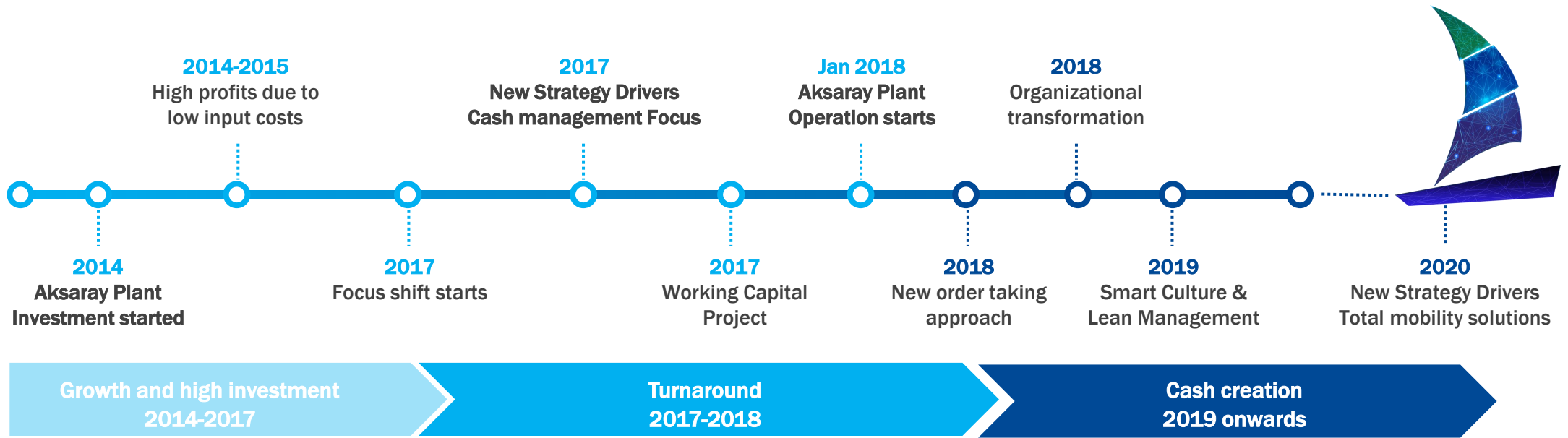
“Business To Human”

In Carbon Disclosure Project Program, Brisa is the only Company from Turkey to be ranked in the “Suppliers Engagement Rating Global Leaders”

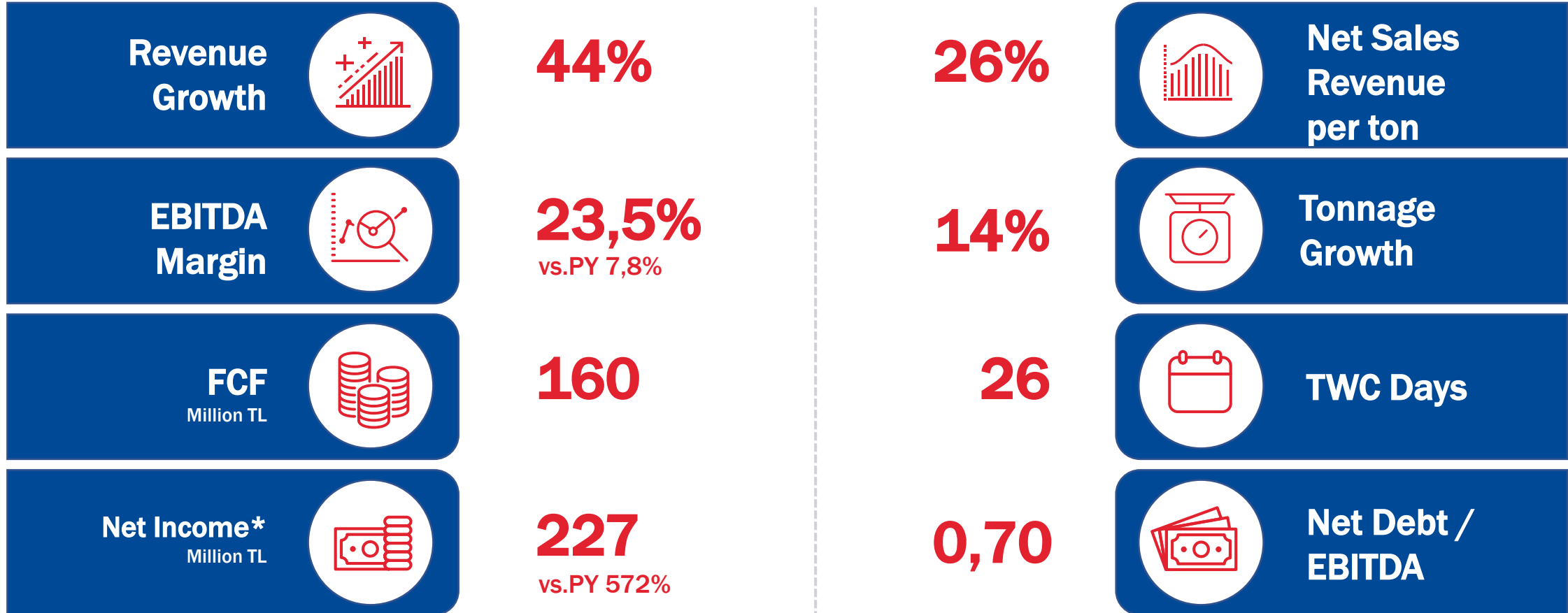
Global Compact member and annual public reporting

The only Turkish tyre company in BIST 100 Sustainability Index since 2015.

Our Digital Maturity Score is above Turkey's average with 3.4 Integrated Stage!

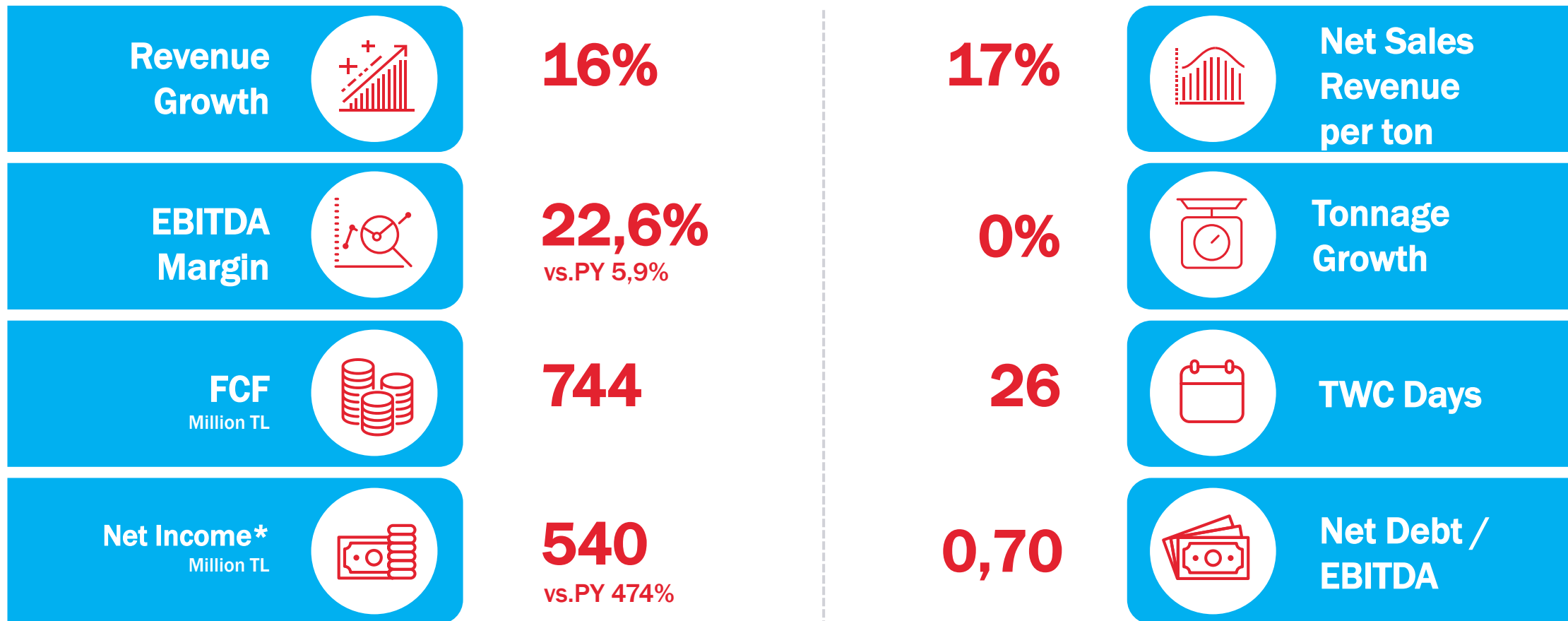


2020 4th Quarter Performance



*Include one-off deferred tax revenue impact arising from tax incentives
Net income without one off is 164MTL

2020 December YTD Performance



*Include one-off deferred tax revenue impact arising from tax incentives
Net income without one off is 456MTL

Replacement Channel – Strongest Local Network

Strongest sales network in Turkey

1300 pos, a Brisa pos makes 2,5 times of competitors' pos

Fast fit services

Otopratik and Propratik

First and leading online tyre sales platform

Lastik.com.tr



510

620

71

12

~85

Brisa – Solution Business



B2C



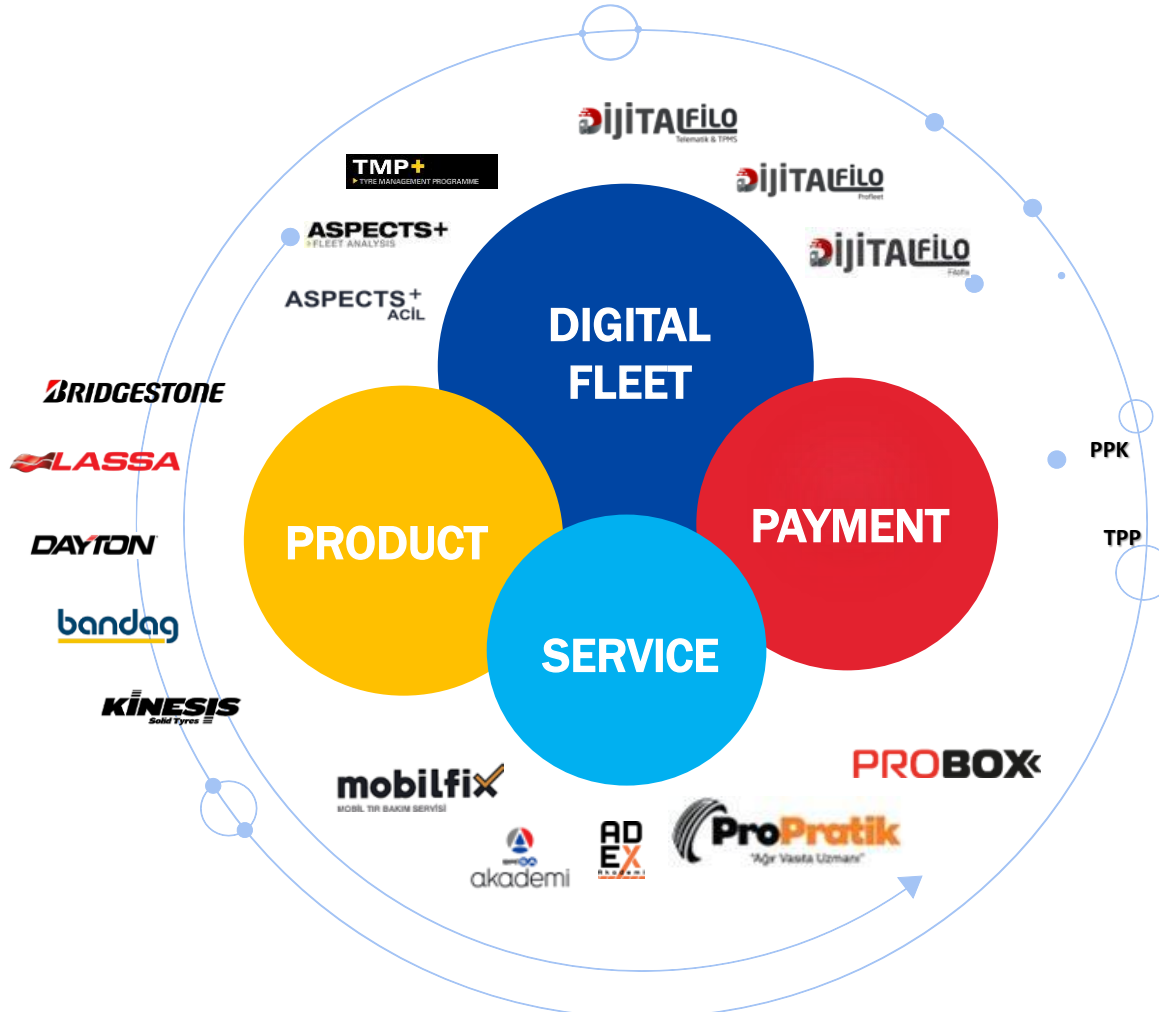
E-charge for electrical cars



B2B



Passenger Car Fleet Service Module



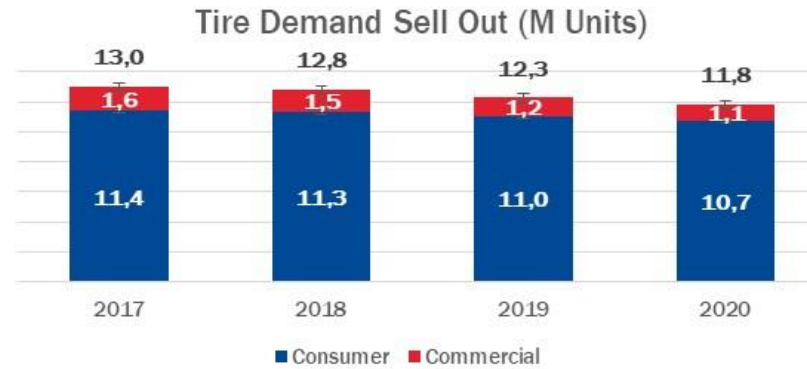
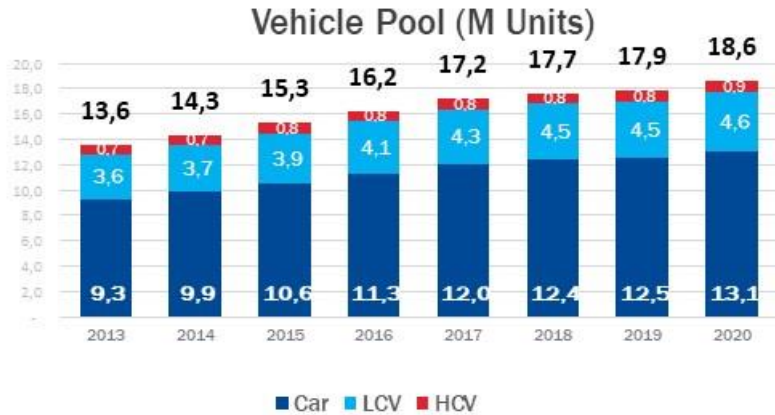
**BRISA - Solution Business
Leader in the industry**

**Measured 3.7 Million tires
until today**

**15.812 fleet customers in
the database**

**97 Profleet Consultants
in the field**

Replacement Channel – 52% of Brisa Revenue – 2020 Dec YTD



Vehicle pool CAGR
+4,6% between
2013-2020

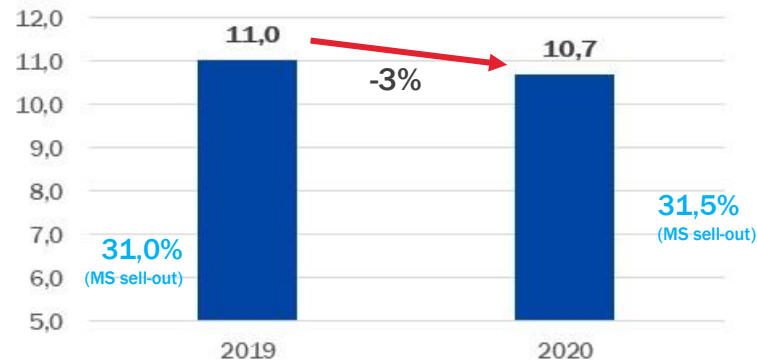
Dan totsu in Turkish
Replacement
Market



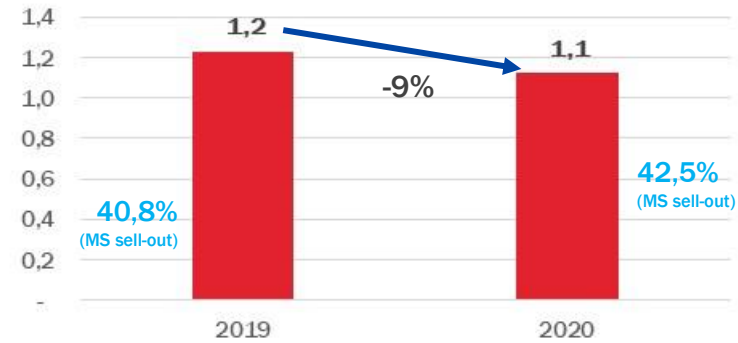
Sell – out from dealer market share

Replacement Channel – 52% of Brisa Revenue - 2020 Dec YTD

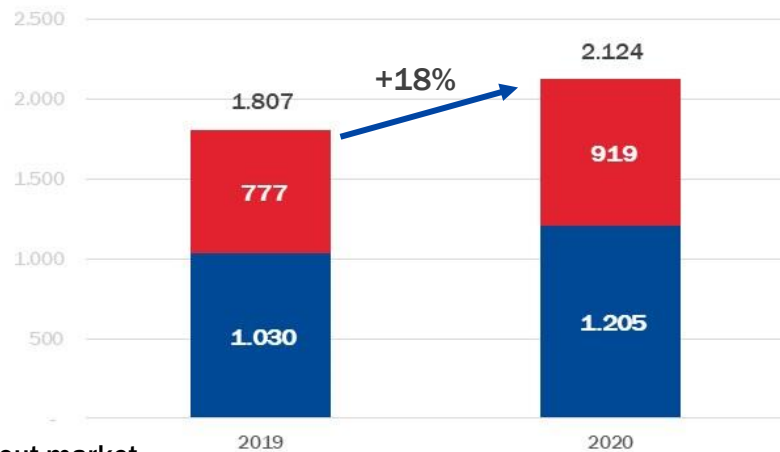
Consumer Market* (M Units)



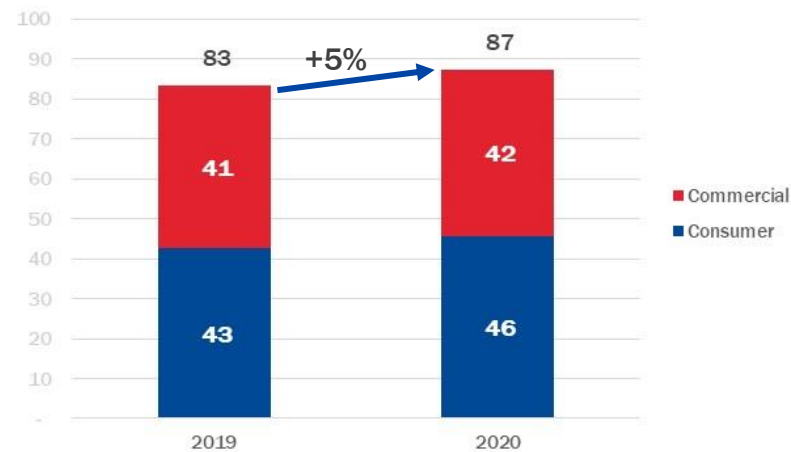
Commercial Market* (M Units)



Brisa Revenue (MTL)



Brisa Tonnage (K Ton)

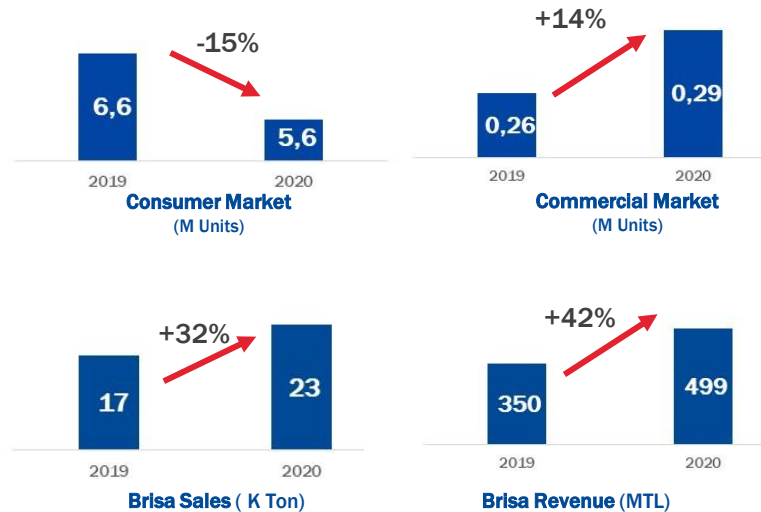
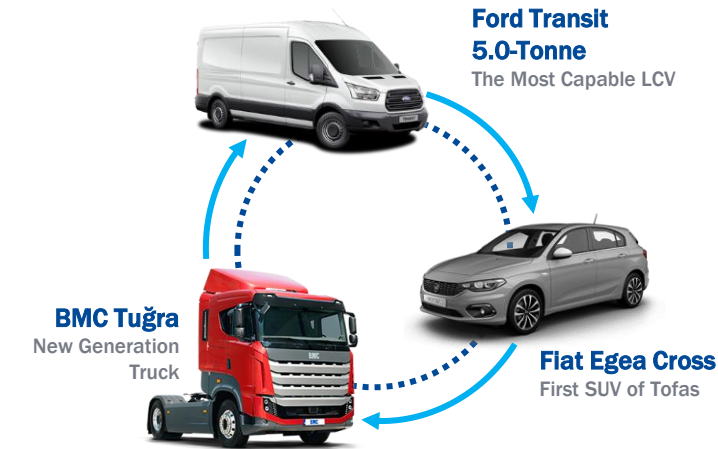
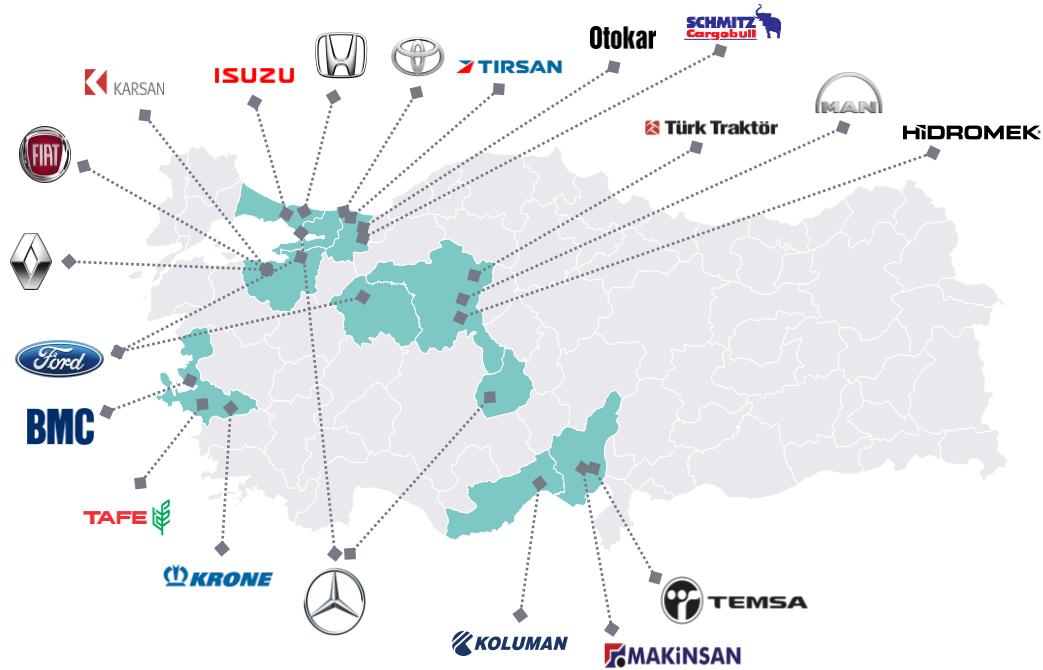


Despite tough environment, consumer and commercial MS increased by +0,5pp and +1,7pp respectively.

Hence, top line growth became +18pp.

*Sell_out market

OE Turkey - 12% of Brisa Revenue - 2020 December YTD



Tires for electric cars, first in Turkey

Export for OE manufacturers

Strong R&D on OE, New products with latest technical developments

International Sales Channel - 24% of Brisa Revenue - Lassa Export

87

Countries

600+

Lassa
Branded
Stores

6000+

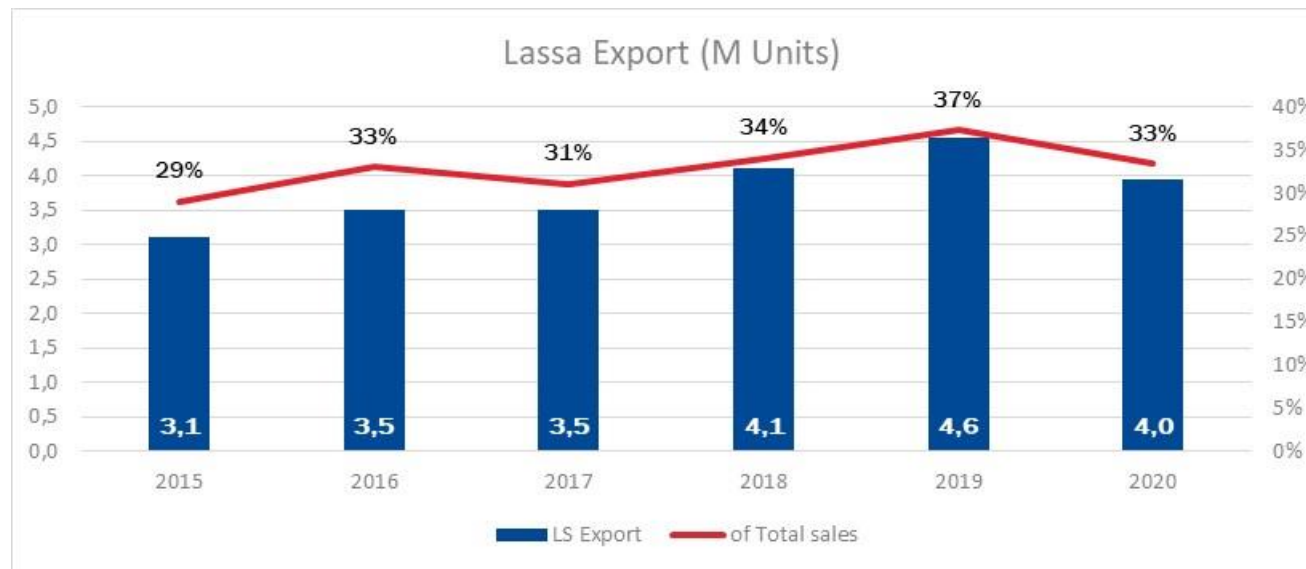
Sales
Points

Expansion to
3 new countries
(Algeria, Kenya, New Zealand)

New Lassa
Shop in Ukraine

Dealer Catch Website to
«expand sub dealer
Network» in UK

10 Countries Lassa
gained MS%:
Europe: Germany, Sweden, Latvia,
Macedonia, Croatia and
Bosna-Herzegovina
N. Africa: Morocco, Tunisia
CIS: Belarus, Georgia
M. East: Syria, Jordan, Saudi Arabia



International Sales Channel - 12% of Brisa Revenue - Bridgestone Sales

LVR/PSR tires to BSEU

PSR/LVR/TBR tires to BSMEA



Dayton LVR tires export to Morocco for fighting segment

Release new Duravis All Season for light trucks



PC; Toyota-UK, Fiat-Serbia, Dacia-Morocco

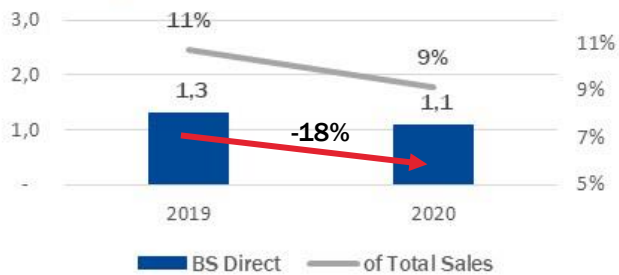


Truck; Volvo, MAN, DAF, Scania
Trailer; Schmitz Cargobull (First time)

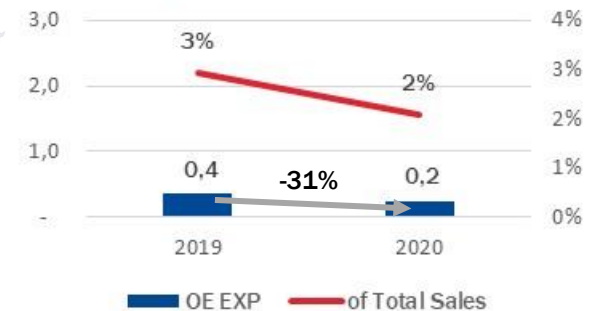


Bus; BYD (First time)

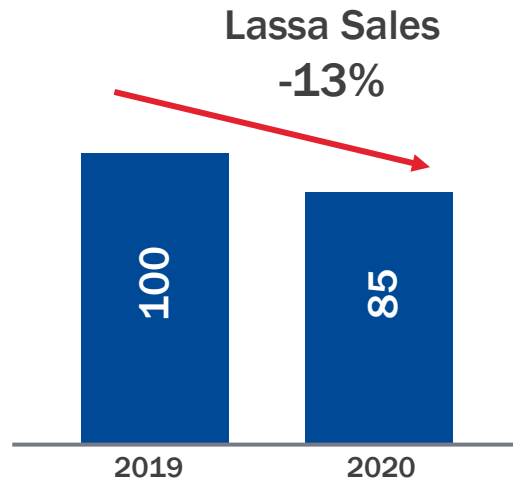
Bridgestone Direct Sales Network (M Units)



OEM Export Sales Network (M Units)



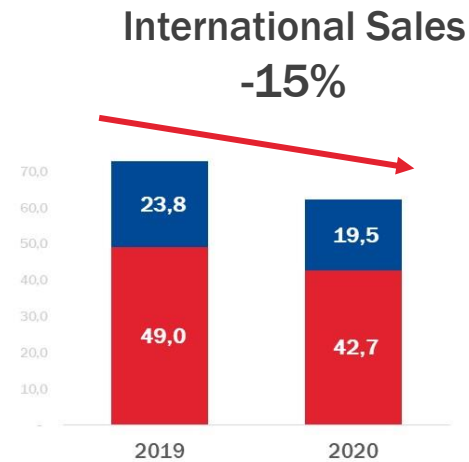
International Sales - 36% of Brisa Revenue - 2020 December YTD



R1&R2 Market (Index)



Revenue (MTL)



Sales (K Ton)

■ Lassa
■ Bridgestone

Less contraction of lassa sales compared to R1&R2 market

7,1K Ton – OE Export sales

R&D - Long Term, Sustainable Technology

55

Active Projects

21

Localization
Projects

175

New products for
2020

80

Released and Nominated
OEM Sizes (2019-2023)

20

Million TL

DM Cost
Improvement
in every year

137

Million TL

R&D
Investment
in last 5 years

43

R&D Investment Ranking
in Turkey (2019)
(#1 Tire Industry)

According to the Number of
Projects Conducted **#25**



Income Statement

	Q4 2020				Dec YTD 2020			
	MTL		MUSD		MTL		MUSD	
	2020	vs PY	2020	vs PY	2020	vs PY	2020	vs PY
Revenue	1.343	144%	172	106%	4.237	116%	607	94%
EBITDA	316	216%	40	160%	957	157%	137	127%
EBITDA Margin	23,5%	8%	23,5%	8%	22,6%	6%	22,6%	6%
Operating Profit	260	259%	33	191%	731	175%	105	142%
OP Margin	19,3%	9%	19,3%	9%	17,3%	6%	17,3%	6%
Net Income bf Tax	180	434%	23	320%	475	408%	68	331%
Net income	227	572%	29	423%	540	474%	77	384%
Net Income w/o one-off*	164	433%	21	320%	456	461%	65	373%

Strong performance in profitability

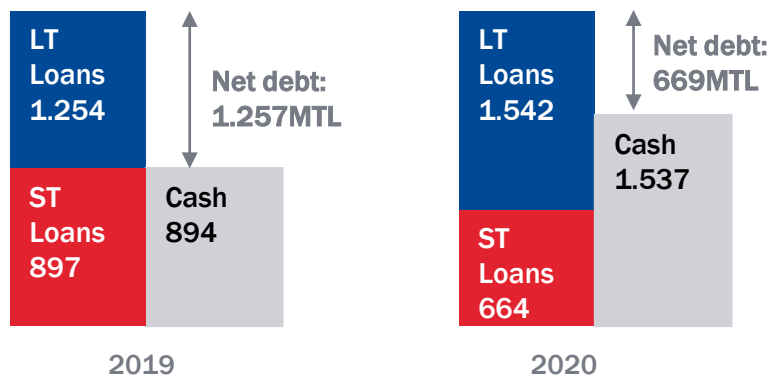
EBITDA margin improved by +6pp

Success in financial management

Net income nearly quadrupled in USD terms

*One-off: Deferred tax revenue impact arising from tax incentives

Cash Flow and Balance Sheet



(M TL)	31.12.2019	31.12.2020
Cash	894	1.537
Receivables	669	763
Inventory	635	618
Other	3.082	3.143
Total Asset	5.280	6.060
Payables	1.023	1.200
Total Financial Debt	3.160	3.147
Financial Debt	2.151	2.206
CCS	1.009	941
Other Liabilities	199	275
Equity	897	1.438
Liability & Equity	5.280	6.060

Outstanding performance in borrowing levels

Continuation of WC days improvement

Thanks to high EBITDA and lower net debt, ND/EBITDA ratio below «1»

Cash Flow Statement

	Q4 2020				Dec YTD 2020			
	MTL		MUSD		MTL		MUSD	
	2020 vs PY		2020 vs PY		2020 vs PY		2020 vs PY	
EBITDA	316	216%	40	160%	957	157%	137	127%
Oper. Cash Flow	283	70%	36	52%	985	109%	141	89%
Investment (-)	-124	83%	-16	61%	-241	91%	-35	73%
Free Cash Flow	160	63%	20	47%	744	117%	107	95%
Change in Fin. Debt	115	112%	15	-83%	73	30%	10	24%
Financial Expense	-51	99%	-7	73%	-269	86%	-39	70%
Dividend Paid	0		0		-34		-5	
Other	-73	-101%	-9	-102%	27	45%	4	37%
Change in Cash	151	150%	19	111%	541	107%	77	86%

Dividend of 34MTL was distributed

Strong cash position, Q4-FCF increased significantly even in USD terms

Benefiting from contraction of net debt