



Investor Presentation

June 2021



BRISA

at a Glance



Strong Partnership

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



Manufacturing

Izmit - 11M Production Capacity
Aksaray – 2.5M Production Capacity



Sales Channels



Our Talents

2.981 employees



Brands, Products, Mobility Services



R&D Center



Digital Solutions



Our Local & Global Network

1300 pos locally, 6000 pos globally, 87 countries

01 Brisa Strengths & Strategy

02 Sustainability

03 Technology

04 Market & Sales Operations

05 Financial Performance

01 FINANCIALLY STRONG

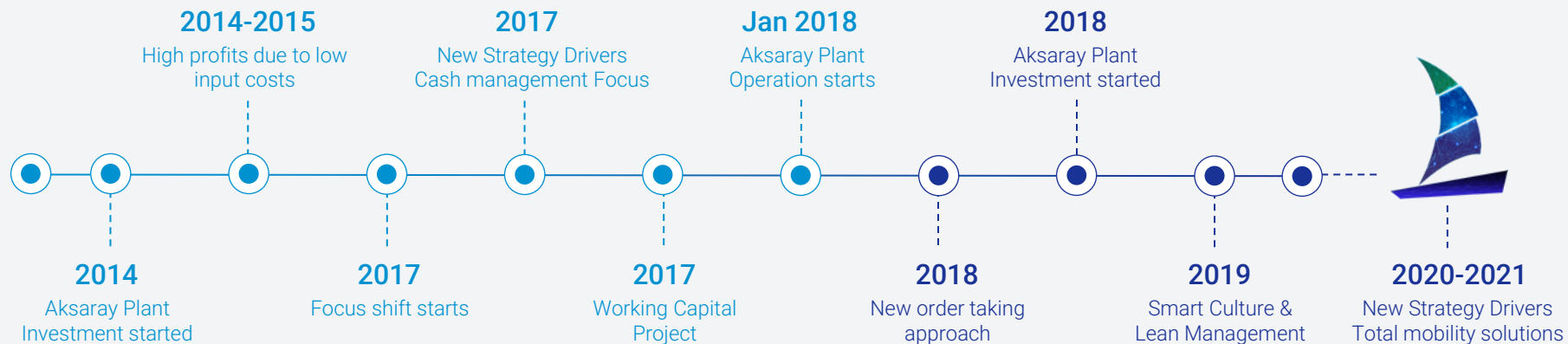
- Market Leader
- Balanced Portfolio (Turkey, International Markets, OE)
- Low level of TWC days and debt position
- Resilience to foreign exchange volatility

02 A LEADING COMPANY IN ESG

- CDP Turkey Climate Change and Water Leader
- CDP Supplier Engagement Global Leader
- 2050 - Net Zero Target
- Emission Reduction targets approved by Science Based Targets Initiative

03 FUTURE-ORIENTED, TECHNOLOGICALLY STRONG

- Strong R&D adaptable to the new automobile technologies
- Smart technologies in production
- Leader in services beyond tyre
- Digital Maturity Level over Turkey average

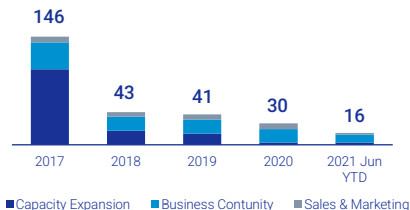


Growth and high investment
2014-2017

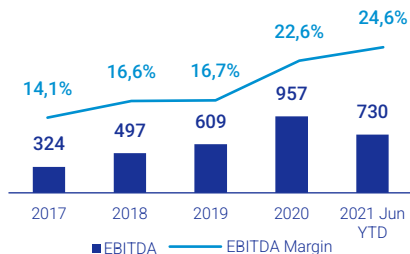
Turnaround
2017-2018

Cash creation
2019 onwards

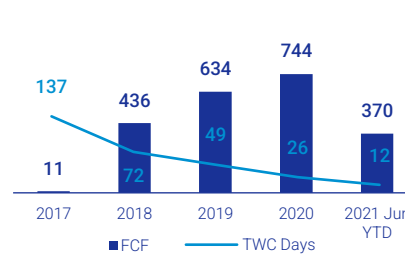
Investment (MUSD)



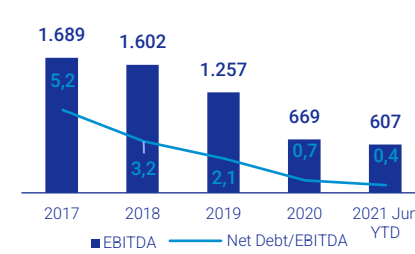
EBITDA (MTL)



FCF (M Units), TWC Days



NET Debt (MTL), NET Debt/EBITDA



SMART CULTURE

- Continuing Digital Transformation
- Future of Work

ENHANCE EXPORT

OPERATIONAL EXCELLENCE

DAN-TOTSU

- Premium Products
- Car Mobility Solutions
- Commercial Fleet Mobility Solutions
- New Generation Retail Services

TOTAL MOBILITY SOLUTIONS

PIONEER IN SUSTAINABILITY



ESG STRATEGY



Transition to Low Carbon Economy

- Carbon Emission
- Energy Management
- Water Management
- Waste Management
- Responsible consumption & production
- Green Procurement
- Biodiversity



Transition to Low Touch Economy

- Digital transformation
- Mobility solutions



Social and Cultural Transformation

- Health&Safety
- Education
- Desired Workplace
- Entrepreneurship
- Equality&Diversity



TARGETS

LOW CARBON



2050

0 Emission

2030

%56 Emission Reduction

2023

ZERO DISPOSABLE PLASTIC

2023

RENEWABLE ENERGY 35-37%

2025

%75 REDUCTION IN GROUND WATER CONSUMPTION IN IZMİT PLANT

2030

%70 REDUCTION IN WATER WITHDRAWALS IN AKSARAY PLANT

AWARDS & RECOGNITION



- SBTi, Targets Set Category, acc.to 1,50 C scenario, 1st international tyre company Turkey, Water Leader, 2nd time
- Turkey Climate Change Leader, 5th time
- Supplier Engagement Global Leader, 2nd time
- Leed, Gold Certificate, Academy Building



- Inovalig, Innovation Organization and Culture, Grand Prize
- Brandon Hall, Boost-Sales Development Program", Excellence Award



- Digital Maturity Index Score above Turkey average
- Digital Tyre Assistant, TUSIAD Digital Transformation in Industry Program, "Sustainability of Technology" award



- Certified R&D Center
- Bridgestone know-how and co-operation with technical centers
- Focus areas: Innovative products, tyres for electrical cars, mobility solutions, local raw materials, production & design

#1 in Tire Industry

R&D Investment list in Turkey (2020)

Among Top 5 Factories

within 48 Bridgestone factories, in quality & cost competitiveness parameters

60

Active
Projects

177

The number of
new products
planned in 2021

20

Million TL

Direct material
Annual cost
improvement

161

Million USD

R&D, Technology and
Business Continuity
Investments Last five years



Dijital Maturity Level Over Turkey Average

Turkey: 2,7 | Brisa:3,4 2021 | Target:4,06



SMART FACTORY

Aksaray Factory: First factory equipped with smart technologies in tyre sector in Turkey:

- 30% savings in energy with completely automated tyre transfer system
- Smart quality, smart maintenance, and smart energy with data stream of daily 800 million data



DEALER SYSTEM

Data Analytics: Dealer Trust Index, 700 tyre sales points

- 92% of B2B customers coming from digital channels
- Virtual POS at dealer points, 80% of collection



SUPPLY CHAIN & SMART PROCESS

Warehouse automation

- Logistics Tower Center

Robi: AI Based Team Member

- 11 departments, 35 projects
- Employee efficiency: %50 → %98



CUSTOMER EXPERIENCE

Digital Genba Room at the heart of field

Dealer Complaint Closure Period: From 30 hours to 20 mins

Carbon Data Lake:

All data gathered in one place, Personalized implementations for customers and dealers



E-COMMERCE & NEW CHANNELS

Lastik.com.tr

- Turkey's first online tyre sales platform,
- Among top 20 global companies in terms of infrastructure
- On-site tyre mounting services across Turkey

Evolve to "Solutions Business", leveraging the strengths and expertise of Tire & Rubber Business

FLEET SERVICES

- Leader in Digital Fleet Solutions with 10 different services
- Operational productivity and cost minimization with Profleet Fleet Management
- 40% reduction in Fleet Tyre Cost with rethread services, Bandag

15.000+fleet customers
100 field team
243.000 customer visits

ELECTRIFICATION

- 8 E-charge stations in sales points
- Tyres for electric vehicles (Low rolling resistance, low noise level, lightness)

2021 target:
20 E-charge service points

END TO END SERVICES

- Mobile and onsite mounting services
- E-commerce: Lastik.com.tr
- New generation vehicle maintenance experience with Otopratik
- First in customer experience: Digital Tyre Assistant

8 times increase in number of Lastik.com.tr customers
40 new Otopratik points in 2021



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



501

624

74

14

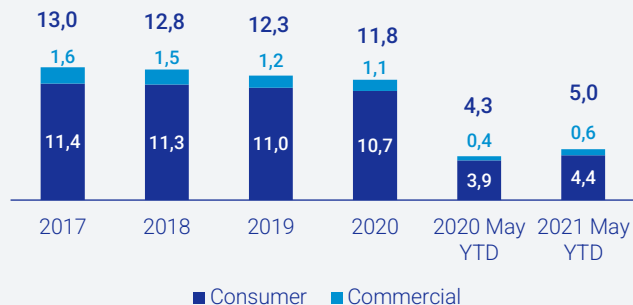
~85

Replacement Channel / 48% of Brisa Revenue - 2021 Jun YTD

Vehicle Pool (M Units)

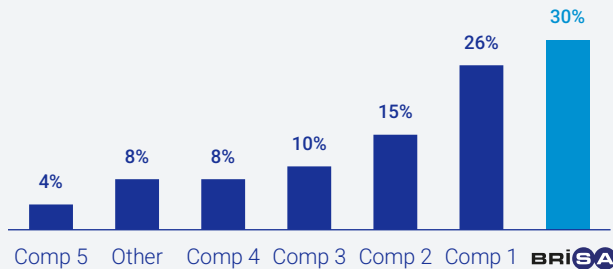


Tire Demand Sell Out (M Units)



Vehicle pool CAGR
+4,9% between
2013-2021

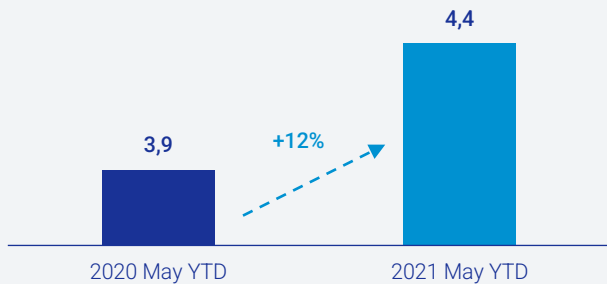
Market Share



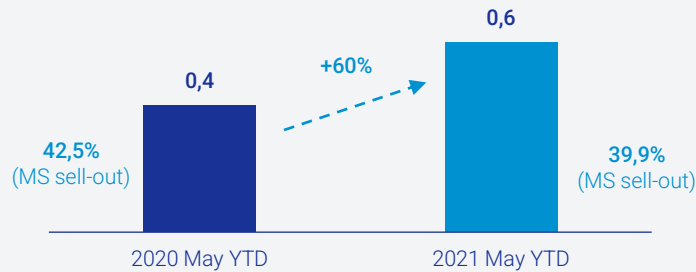
Dan tostu in Turkish
Replacement Market

Replacement Channel / 48% of Brisa Revenue - 2021 Jun YTD

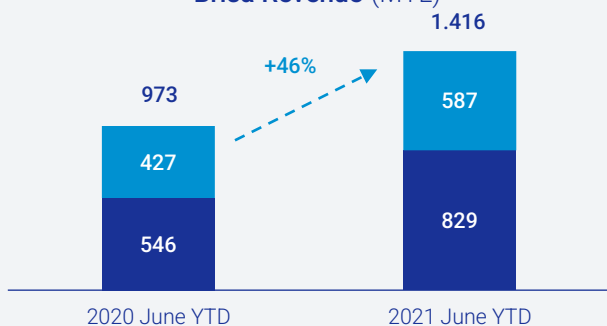
Consumer Market* (M Units)



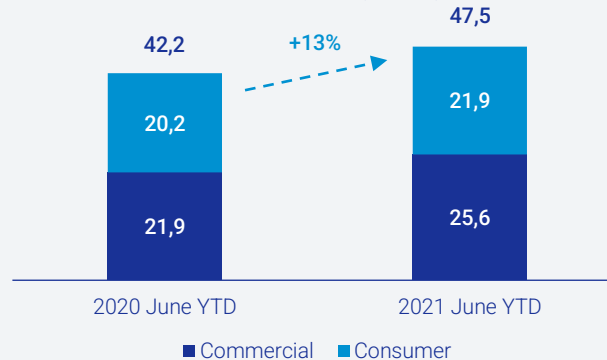
Commercial Market* (M Units)



Brisa Revenue (MTL)



Brisa Tonnage (K Ton)

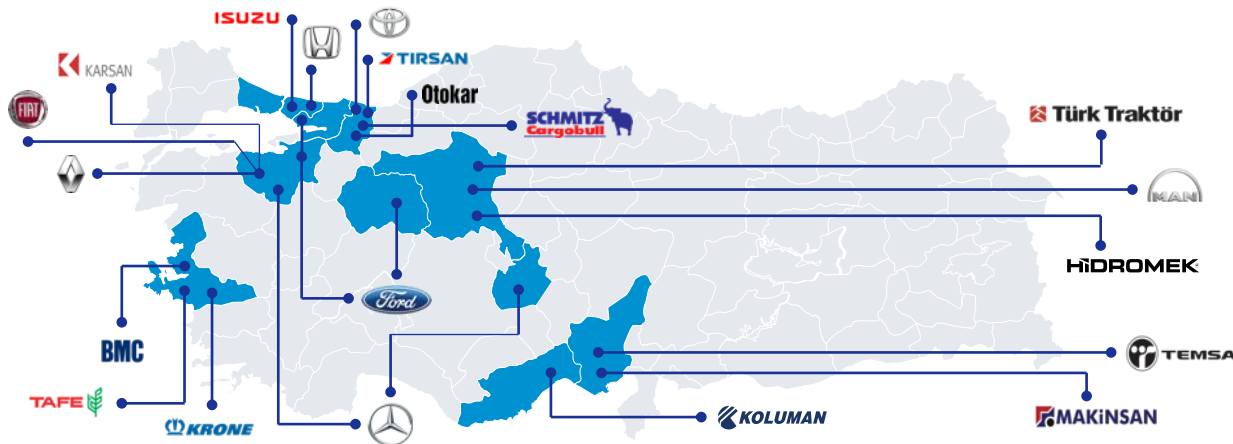


Continuation of high market share both in consumer and commercial markets.

Top line growth became +46% in revenue and +13% in tonnage.

(without sales return provision growth became +40% in revenue and +9% in tonnage)

OE Turkey - 13% of Brisa Revenue / 2021 Jun YTD



Tires for electric cars, first in Turkey

Export for OE manufacturers

Ford Transit 5.0-Tonne

The Most Capable LCV



Fiat Egea Cross

First SUV of Tofas

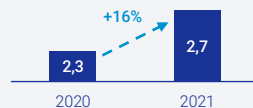


BMC Tuğra

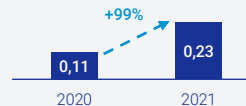
New Generation Truck



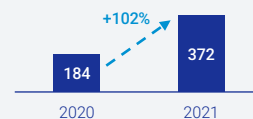
Consumer Market (M Units)



Commercial Market (M Units)



Brisa Revenue (MTL)



Brisa Sales (K Ton)



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

87 Countries

6000+
Sales Points

600+ Lassa Branded Stores



Expansion to 3 new countries

(Algeria, Kenya, New Zealand)

New Lassa Shop in Ukraine

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

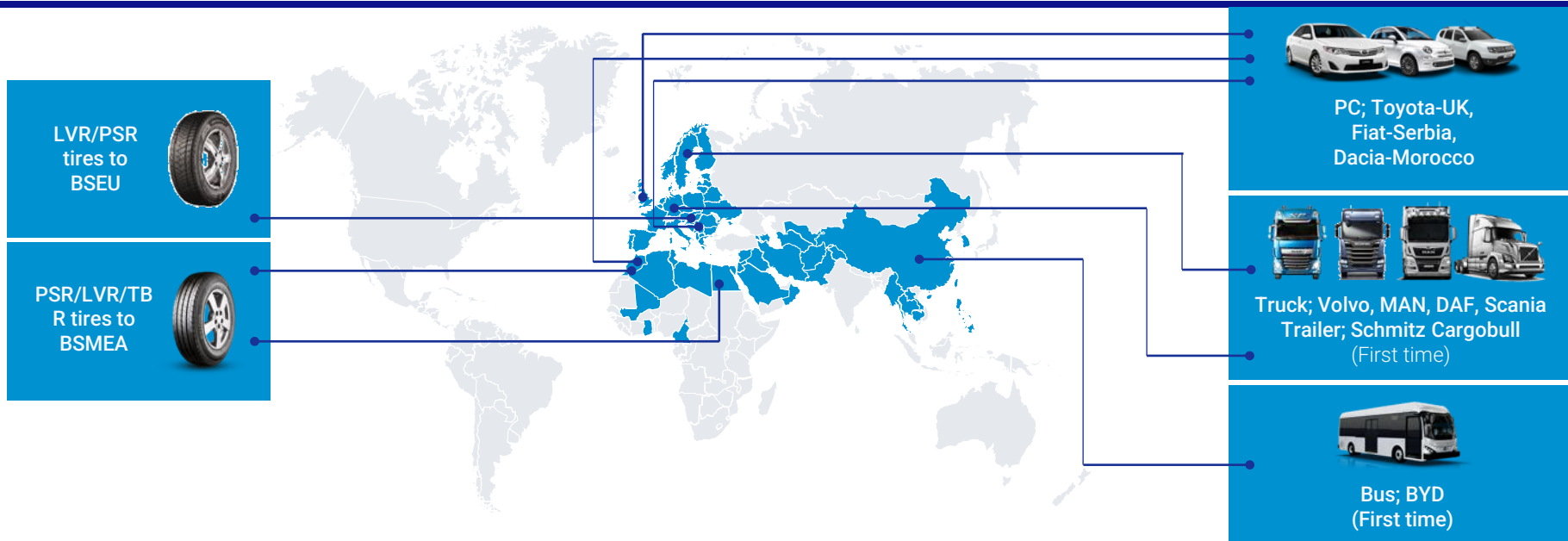
21 Countries Lassa gained market share

Europe: Bulgaria, Austria, UK, Greece, Italy, Portuguese, Croatia, Latvia, Poland, Spain and Sweden, Non - Europe: Iraq, Israil, Ukraine, Azerbaijan, Moldova, Belarus, Libya, Russia, Georgia and Algeria

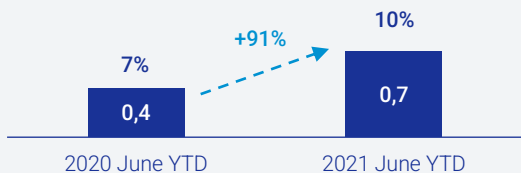
Lassa Export (M Units)



International Sales Channel / 13% of Brisa Revenue - Bridgestone Sales



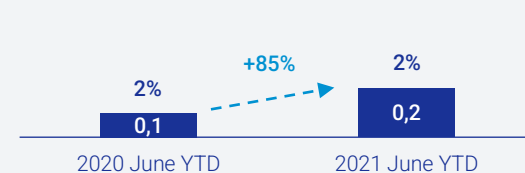
Bridgestone Direct Sales Network (M Units)



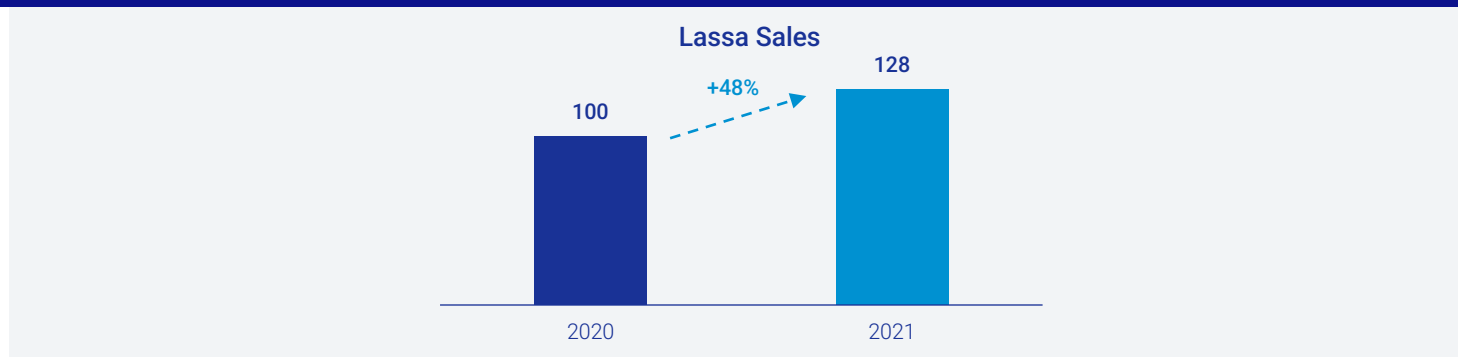
Dayton LVR tires export to Morocco for fighting segment

Release new Duravis All Season for light trucks

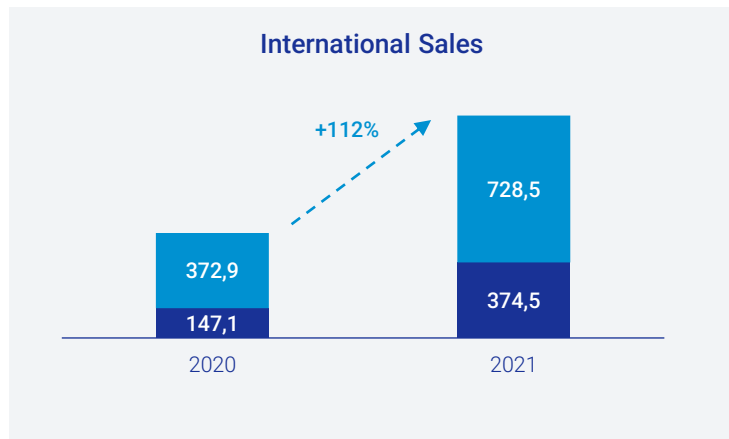
OEM Export Sales Network (M Units)



International Sales Channel / 38% of Brisa Revenue - 2021 Jun YTD



R1&R2 Market (Index)



Lassa sales outperformed compare to R1&R2 market.

6,1K Ton – OE Export sales

2021 2nd Quarter Performance



105%
Revenue
Growth



22,4%
EBITDA
Margin



28%
Net Sales
Revenue
per ton



60%
Tonnage
Growth



255
FCF
Million TL



217 vs.PY
953%
Net Income*
Million TL



12
TWC Days



0,45
Net DEBT
EBITDA

*Include one-off deferred tax revenue impact arising from tax incentive

Net income without one off is **202.7MTL**

Revenue Channel Breakdown H1

44%
RL **664MTL**

12%
TR OE **185MTL**

28%
LS Exp **416MTL**

13%
BS Exp **192MTL**

3%
Other **40MTL**



71%
Revenue
Growth



24,6% vs.PY
5,7%
EBITDA
Margin



27%
Net Sales
Revenue
per ton



36%
Tonnage
Growth



370
FCF
Million TL



500 vs.PY
953%
Net Income*
Million TL



12
TWC Days



0,45
Net DEBT
EBITDA

*Include one-off deferred tax revenue impact arising from tax incentive

Net income without one off is **477.6MTL**

Revenue Channel Breakdown H1

44%

RL **664MTL**

12%

TR OE **185MTL**

28%

LS Exp **416MTL**

13%

BS Exp **192MTL**

3%

Other **40MTL**

Income Statement

	Q2 2021				Jun YTD 2021			
	MTL		MUSD		MTL		MUSD	
	2021	vs PY	2021	vs PY	2021	vs PY	2021	vs PY
Revenue	1.500	205%	177	166%	2.972	171%	373	139%
EBITDA	336	257%	40	209%	730	223%	92	181%
EBITDA Margin	22,4%	5%	22,4%	5%	24,6	6%	24,6%	6%
Operating Profit	279	364%	33	295%	616	283%	77	230%
OP Margin	18,6%	8%	18,6%	8%	20,7%	8%	20,7%	8%
Net Income bf Tax	197	1187%	23	964%	476	523%	60	425%
Net Income	218	1053%	26	854%	500	516%	63	419%
Net Income w/o one-off*	203	1309%	24	1062%	478	516%	60	419%

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

W/O Sales Return Provision	MTL		MUSD	
	2021	vs PY	2021	vs PY
Revenue	2.972	168%	373	136%
EBITDA Margin	24,6%	5%	24,6	5%
Net Income	500	460%	63	373%

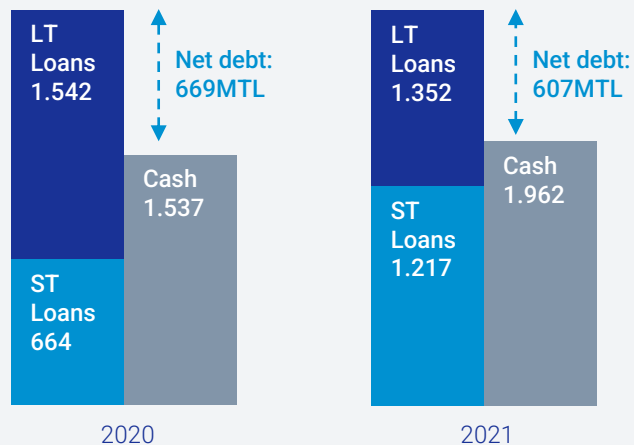
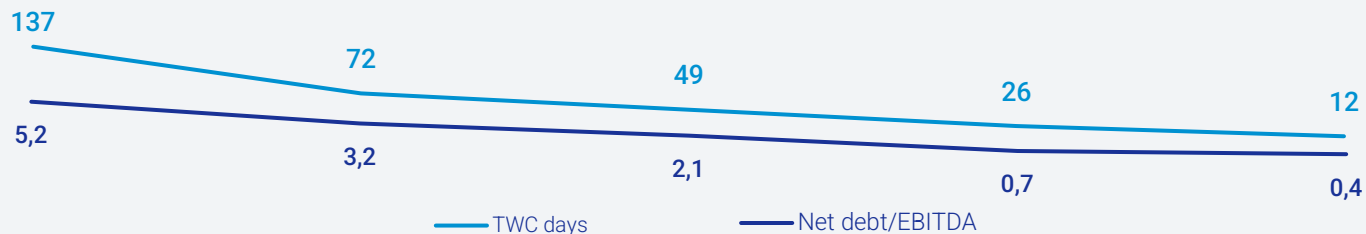
** Without sales return provisions in 2020

Operational excellence in supply chain & efficiency increase in production led to high profitability

EBITDA margin improved by +5pp

Success in financial management

Net income nearly quadrupled in USD terms



(M TL)	31.12.2020	31.06.2021
Cash	1.537	1.962
Receivables	763	1.117
Inventory	618	864
Other	3.143	3.463
Total Asset	6.060	7.406
Payables	1.200	1.558
Total Financial Debt	3.147	3.700
Financial Debt	2.206	2.569
CCS	941	1.132
Other Liabilities	275	446
Equity	1.438	1.701
Liability & Equity	6.060	7.406

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

	Q2 2021				Jun YTD 2021			
	MTL		MUSD		MTL		MUSD	
	2021	vs PY	2021	vs PY	2021	vs PY	2021	vs PY
EBITDA	336	257%	40	209%	730	223%	92	181%
Oper. Cash Flow	341	171%	40	138%	517	187%	65	151%
Investment (-)	-86	253%	-10	205%	-147	207%	-18	168%
Free Cash Flow	255	154%	30	125%	370	179%	46	146%
Change in Fin. Debt.	205	206%	24	167%	312	192%	39	156%
Financial Expense	-60	118%	-7	96%	-122	88%	-15	71%
Dividend Paid	-25	100%	-3	100%	-270	790%	-34	641%
Other	15	-225%	2	-300%	340	-566%	43	-459%
Change in Cash	389	149%	46	121%	629	247%	79	201%

Dividend of 270MTL was distributed

Strong cash position, Q2-FCF increased significantly even in USD terms



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THANK YOU

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