



1H24 Earnings Presentation

7 August 2024



Agenda

- **1H24 Evaluation**
- **Domestic Sales Performance**
- **Export Performance**
- **Since We Last Met**
- **Financial Results & Guidance**



1H24 Evaluation

1H24 Highlights

✂ Maintaining 3rd position in domestic market with 8.2% share

#1 in Total CV with 25.6% market share

✂ Domestic performance impacted by the YoY lower LCV and HCV sales

Domestic Volumes contracted by 17% and Revenues down by %19

✂ Limited export growth due to deferrals in the new launches

Export Volumes and Revenues rose 3% and %1 respectively

✂ Total Capacity Utilization Rate was realized as 84%

Turkey 81%

Romania 90%

✂ Dilution in Profitability in the heavy investment cycle

8% EBITDA Margin

EBITDA p.v. € 1,805

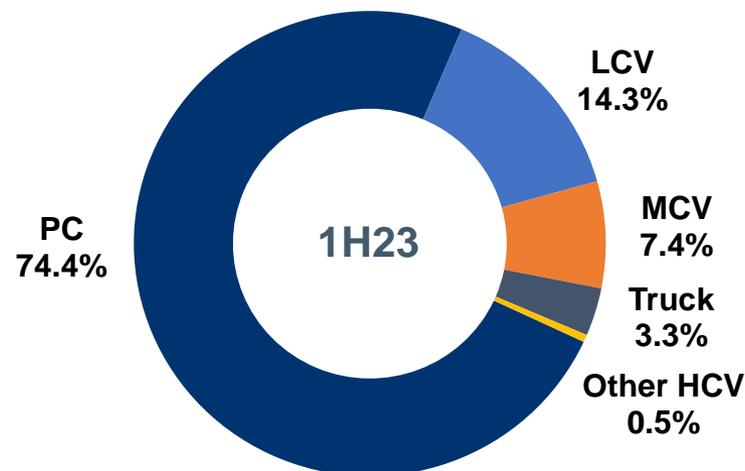
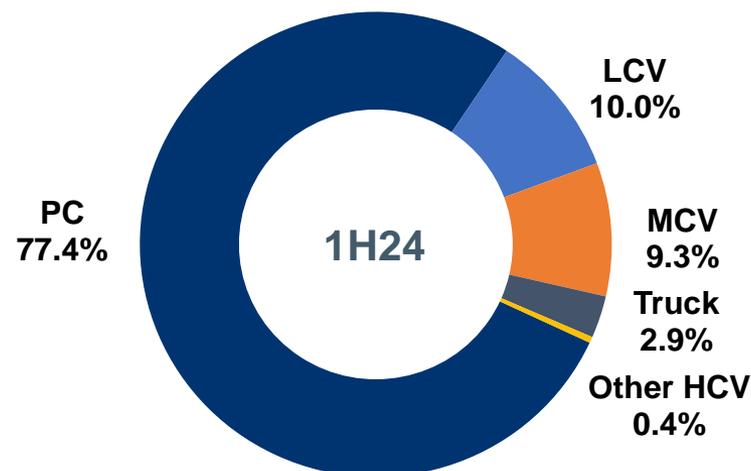


Domestic Sales Performance

Turkish Automotive Market

Segments	1H24	1H23	Δ
Passenger Cars	462,955	431,372	7%
Light Com. Vehicle	59,575	82,976	-28%
Medium Com. Vehicle	55,451	43,021	29%
Truck (>16 t)	17,515	19,335	-9%
Other HCV (6-16t)	2,520	2,970	-15%
Total*	598,016	579,674	3%

* Total industry volumes include PC, LCV, MCV, Truck and other HCV sales.



Domestic Sales Performance - I

Rank	Brand	1H24	1H23	% Change	Market Share %	Δ, pps
		Sales	Sales		in 1H24	
Total Industry						
1	Fiat	71,021	101,167	-30%	11.9	-5.6
2	Renault	65,042	58,705	11%	10.9	0.7
3	Ford	49,217	56,457	-13%	8.2	-1.5
4	Volkswagen	41,907	39,718	6%	7	0.2
5	Chery	34,501	9,757	254%	5.8	4.1
Passenger Cars						
1	Renault	56,960	51,905	10%	12.3	0.3
2	Fiat	43,531	70,160	-38%	9.4	-6.9
3	Chery	34,501	9,757	254%	7.5	5.2
4	Volkswagen	30,680	31,321	-2%	6.6	-0.6
5	Hyundai	26,440	25371	4%	5.7	-0.2
12	Ford	15,273	13,875	10%	3.3	0.1



PC strategy: Profitability over market share

Domestic Sales Performance - II

Rank	Brand	1H24	1H23	% Change	Market Share % in 1H24	Δ, pps
		Sales	Sales			
LCV						
1	Fiat	23,310	27,438	-15%	39.1	6.1
2	Ford	10,783	24,144	-55%	18.1	-11
3	Renault	6,011	4,455	35%	10.1	4.7
4	Peugeot	4,697	7,883	-40%	7.9	-1.6
5	Volkswagen	4,439	4,119	8%	7.5	2.5
MCV						
1	Ford	18,906	12,784	48%	34.1	4.4
2	Volkswagen	6,788	4,278	59%	12.2	2.3
3	Mercedes	4,388	3,640	21%	7.9	-0.5
4	Fiat	4,180	3,569	17%	7.5	-0.8
5	Kia	3,392	681	398%	6.1	4.5
Truck						
1	Mercedes	7,769	7,126	9%	44.4	7.5
2	Ford	4,255	5,654	-25%	24.3	-4.9
3	Scania	1,722	1,621	6%	9.8	1.4
4	MAN	879	884	-1%	5	0.4
5	Volvo	788	1,213	-35%	4.5	-1.8

CV Strategy: Profitable growth

* Excluding Other HCV (6-16t)

Leader in total CV with **25.6%*** market share

#2

#1

#2





Export Performance

European PC & CV Market Outlook

European PC and CV Market went up 5% & 11% respectively despite strong base year impact

European PC Market

	H1'24	H1'23	%
EU+UK	6,690,606	6,388,608	4.7%

European CV Market

	H1'24	H1'23	%
EU+UK	1,228,386	1,106,717	11.0%

European Van Market

	H1'24	H1'23	%
EU+UK	1,018,619	901,981	12.9%

European Truck Market

	H1'24	H1'23	%
EU+UK	209,767	204,736	2.5%

Growth by Segment in Our Main Export Markets

YoY % Δ	PC		VAN		TRUCK	
	H1'24	H1'23	H1'24	H1'23	H1'24	H1'23
Germany	5.4	12.8	19.3	15.5	8.1	24.8
UK	6.0	18.4	4.3	17.7	-1.0	20.1
France	2.8	15.3	10.5	3.6	5.5	12.3
Italy	5.4	22.8	17.8	9.2	10.5	12.6
Spain	5.9	24.0	18.5	26.6	21.7	17.1
Total	4.7	18.0	12.9	12.4	2.5	20.0

Ford is Europe's No.1 CV brand for 9 consecutive years and Ford Otosan produces 74% of Ford's CVs sold in Europe

Ford Otosan, contributes to Ford's performance in PC segment with Puma by producing 37% of Ford's PC Sales in Europe

Source: ACEA, 26 European Markets + UK



Since We Last Met

E-Custom - Europe's Best-Selling Van Went All-Electric

Production of BEV & PHEV Custom started in 2Q24 at Yeniköy Plant



Powertrain Overview

PHEV

- ✓ The power-split PHEV is an improvement on the outgoing Transit Custom, with a **232 PS (combined) 2.5L Petrol engine** offering a refined and capable diesel-alternative with up to **55 km EV range** a **11.8 kWh useable battery** (16.5 kWh total battery) and **2T towing capability**.

BEV

- ✓ **Battery:** 64 kWh useable
- ✓ **EV Range:** Up to 337 km
- ✓ **AC Charging:** 11 kW onboard charger (6.7 hours)
- ✓ **Motor Power:** 100 / 160 kW
- ✓ **Towing Capacity:** 2T
- ✓ **DC Fast Charging:** 125 kW (15-80% approx. 32 minutes)

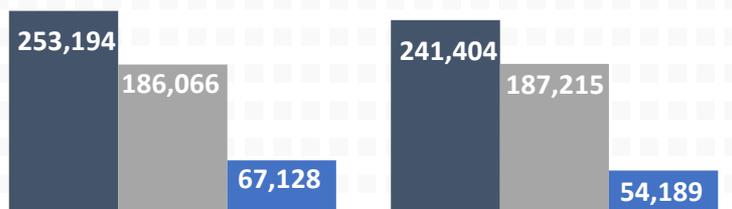


Financial Results & Guidance

Financial Highlights in 1H24

Revenues, mn TL

■ Total ■ Export ■ Domestic



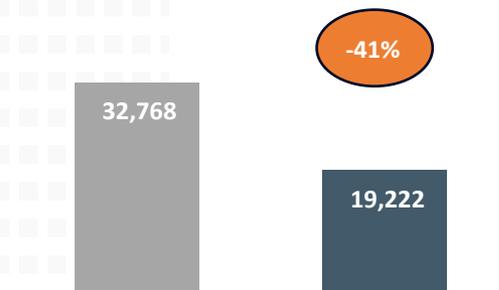
1H23

1H24

Total Revenues, -5%
Export Revenues⁽¹⁾, +1%
Domestic Revenues, -19%

Total volumes -1%
 Export volumes +3%
 Domestic volumes -17%

EBITDA, mn TL

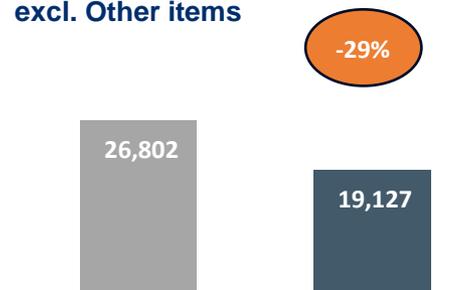


1H23

1H24

- Lower YoY domestic volumes
- Increasing export revenues share in total
 - Deferrals in launches leading higher YoY inventory levels

EBITDA, mn TL excl. Other items



1H23

1H24

- Relatively weak exchange rates
- Extended ramp-up period of new models

Operating Profit, mn TL

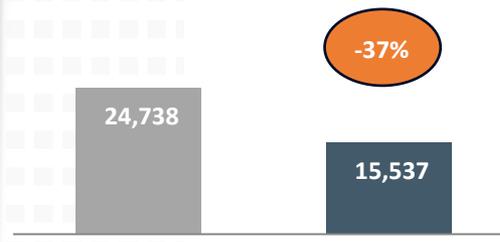


1H23

1H24

- 98% decline in Net Other Income, amounting to TL 96 million (vs TL 5,965 million in 1H23) leading to a 51% YoY decrease in Operating Profit to TL 13,669 million.

Profit Before Tax, mn TL

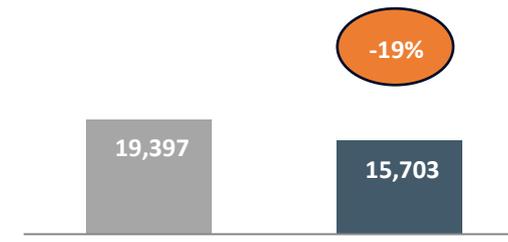


1H23

1H24

- TL 10,568 mio monetary gain (1H23: TL 6,782 mio) was included in Profit Before Tax

Net Income, mn TL



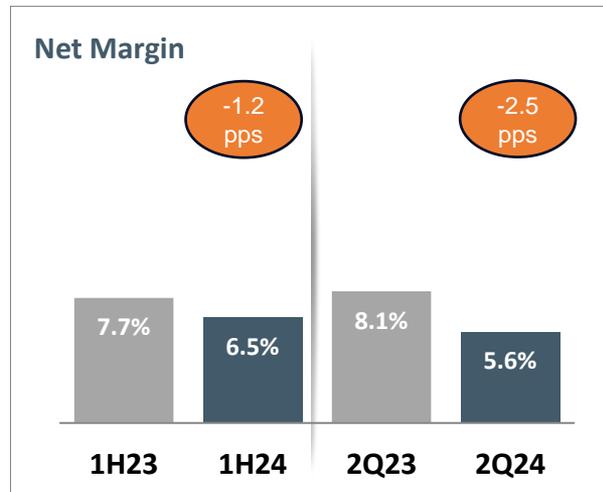
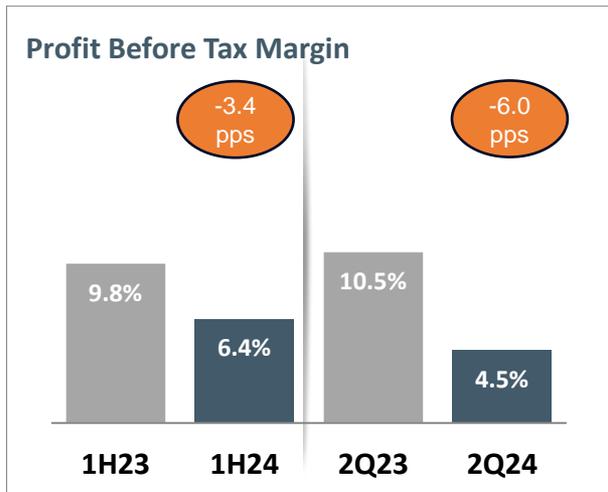
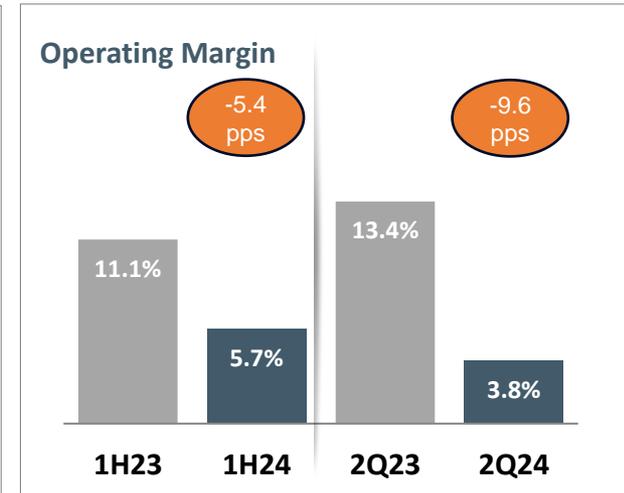
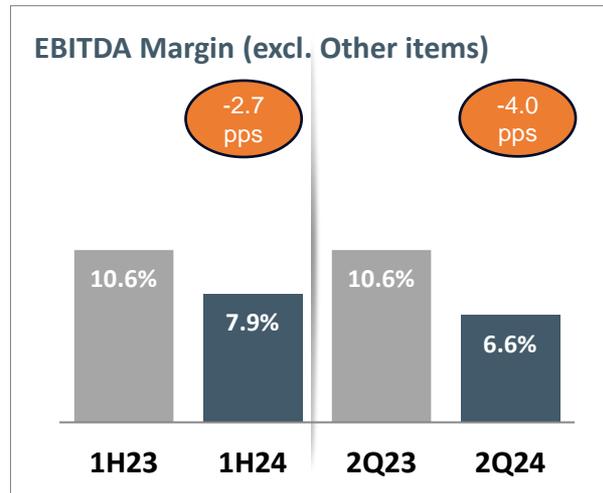
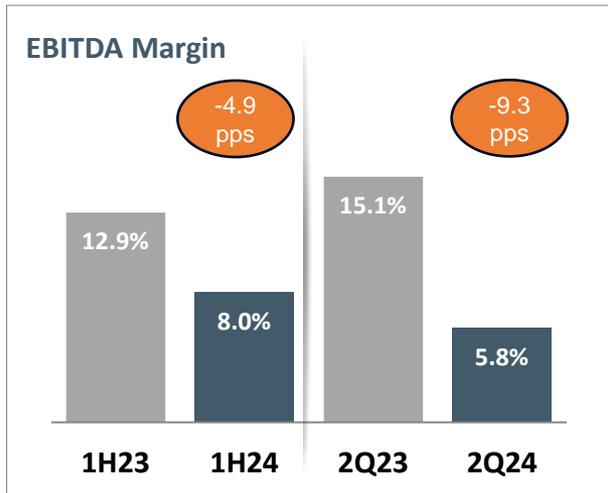
1H23

1H24

- TL 5,341 million Tax expense (one-off impact of earthquake tax payment in 1H23) turned to TL 166 million in 1H24.

⁽¹⁾ Export revenues and volumes include exports from Ford Otosan and Ford Otosan Romania SRL

Margins



Solid EBITDA and PBT per Vehicle

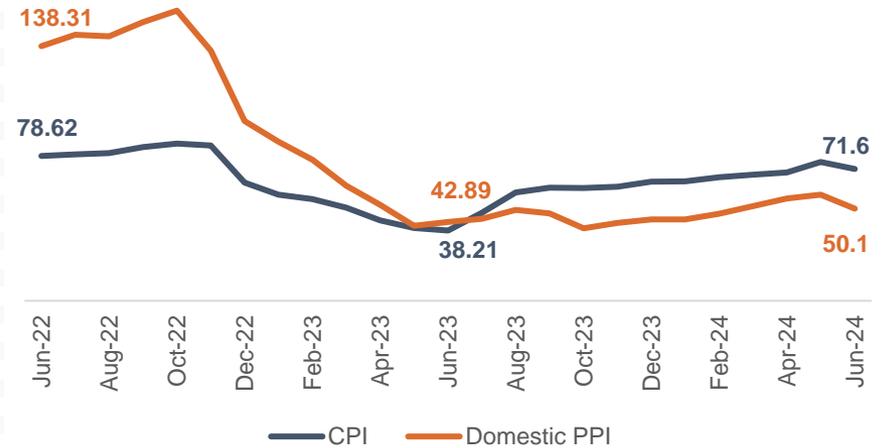
EBITDA, EUR	1H	2Q
2023	2,333	2,305
2024	1,805	1,455

PBT, EUR	1H	2Q
2023	2,153	2,276
2024	1,467	993

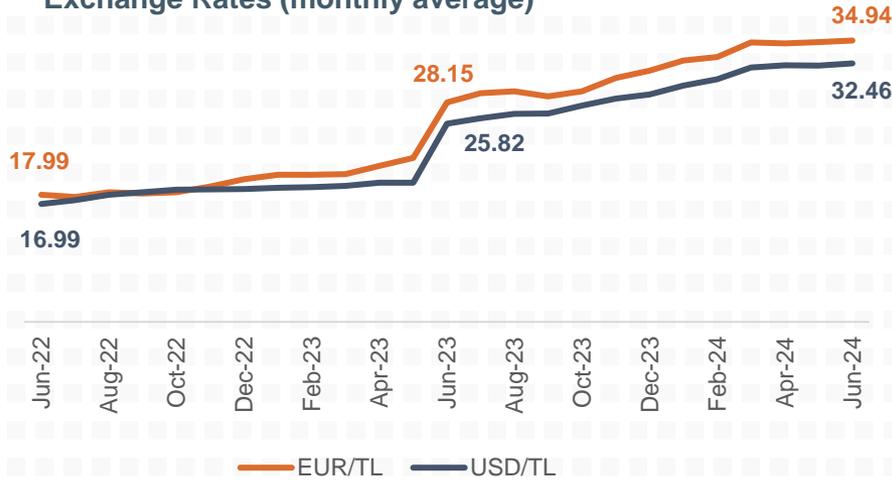
Cost Dynamics

	1H'24/1H'23 Δ	2Q'24/2Q'23 Δ
Production Volume	1% ↑	-4% ↓
Raw Material Costs	0% ↔	-11% ↓
€ / TL Average	60% ↑	55% ↑

Annual Inflation (%)



Exchange Rates (monthly average)



Interest Rates (%)



Source: Ford Otosan, CBT, Turkstat

Sales Volume by Model

	1H24	1H23	YoY%	2Q24	2Q23	YoY%
Total Domestic	49,559	59,456	-17%	25,152	32,794	-23%
PC	14,109	14,542	-3%	6,468	9,562	-32%
Puma	4,821	2,008	140%	2,229	1,281	74%
Other	9,288	12,534	-26%	4,239	8,281	-49%
LCV	12,087	25,342	-52%	8,588	12,363	-31%
Transit Courier	11,821	25,088	-53%	8,424	12,273	-31%
Transit Connect	266	254	5%	164	90	82%
MCV	19,260	13,663	41%	8,354	7,875	6%
Transit	13,443	10,254	31%	5,913	5,769	2%
Transit Custom	3,467	3,194	9%	1,439	1,992	-28%
Ranger	2,350	215	993%	1,002	114	779%
Truck	4,103	5,771	-29%	1,742	2,983	-42%
Rakun ⁽¹⁾	-	138	-100%	-	11	-100%
Total Export ⁽²⁾	259,824	253,337	3%	114,007	121,959	-7%
Transit Custom	91,783	70,816	30%	40,803	30,937	32%
Transit	60,509	71,585	-15%	20,567	35,129	-41%
Transit Courier	28,572	14,097	103%	14,501	6,107	137%
Truck	1,665	3,520	-53%	1,184	1,489	-20%
Puma	77,273	93,284	-17%	36,952	48,279	-23%
Other	22	35	-37%	-	18	-100%
Total Wholesale	309,383	312,793	-1%	139,159	154,753	-10%

(1) Rakun production ended in 3Q23

(2) Export volumes include exports from Ford Otosan and Ford Otosan Romania SRL

Main Financial Indicators

Million TL	1H24	1H23	YoY %	2Q24	2Q23	YoY %
Total Revenues	241,404	253,194	-5%	106,779	130,018	-18%
Export ⁽¹⁾	187,215	186,066	1%	81,426	91,841	-11%
Domestic	54,189	67,128	-19%	25,353	38,177	-34%
Gross Profit	24,639	33,339	-26%	10,312	18,117	-43%
Operating Profit	13,669	28,160	-51%	4,032	17,461	-77%
EBITDA	19,222	32,768	-41%	6,177	19,633	-69%
EBITDA excluding other income/expense	19,127	26,802	-29%	7,061	13,798	-49%
Profit Before Tax	15,537	24,738	-37%	4,816	13,628	-65%
Net Income	15,703	19,397	-19%	5,976	10,556	-43%
Other Financial Data						
Depreciation & Amortization	5,554	4,608	21%	2,145	2,171	-1%
Financial Income / (Expense)	-9,771	-10,201	-4%	-5,304	-7,771	-32%
Capital Expenditures	-13,251	-12,367	7%	-5,683	-3,779	50%

(1) Export revenues and volumes include exports from Ford Otosan and Ford Romania SRL

Summary Balance Sheet & Cash Flow Statement

Balance Sheet, Million TL	30.06.2024	31.12.2023	YoY Δ
Current Assets	136,599	128,378	6%
Current Liabilities	115,932	117,418	-1%
Property, Plant and Equipment - Net	76,155	71,345	7%
Total Assets	278,439	270,684	3%
Total Liabilities	191,106	179,618	6%
Shareholders' Equity	87,333	91,066	-4%

Cash Flow Statement, Million TL	30.06.2024	30.06.2023	YoY Δ
Beginning Balance of Cash & Equivalents	18,952	20,778	-9%
Net Cash from Operating Activities	3,725	37,197	-90%
Net Cash Used in Investing Activities	-13,224	-12,300	8%
Net Cash from Financing Activities	13,037	2,628	396%
Monetary Gain/(Loss) on Cash&Equivalents	-4,683	-4,199	12%
End of Period Balance of Cash&Equivalents	17,833	44,426	-60%

Debt Profile & Financial Ratios

Cash Position (TL mn)	30.06.2024	31.12.2023
Cash & Cash Equivalents	17,855	18,990
Total Financial Debt	113,562	94,493
Net Financial Debt	95,707	75,503
Financial Ratios	30.06.2024	31.12.2023
Current Ratio	1.18	1.09
Liquidity Ratio	0.68	0.69
Net Debt / EBITDA*	1.92	1.19
Current Assets / Total Assets	0.49	0.47
Current Liabilities / Total Liabilities	0.61	0.65
Total Liabilities/Total Liabilities & Equity	0.69	0.66
Return on Equity	65.8%	67.2%
Margins	30.06.2024	30.06.2023
Gross Margin	10.2%	13.2%
EBITDA Margin	8.0%	12.9%
EBITDA Margin (excluding other items)	7.9%	10.6%
Operating Margin	5.7%	11.1%
PBT Margin	6.4%	9.8%
Net Margin	6.5%	7.7%

* Capped at 3.5x. EBITDA

2024 Guidance

	2023 (Actuals)	2024 Old (Guidance)	2024 New* (Guidance)
TOTAL INDUSTRY VOLUME	1,278 K	800 K – 900 K	1000 K – 1,100 K
FORD OTOSAN			
Retail Sales Volume	114 K	100 K – 110 K	100 K – 110 K
Export Volume	492 K	560 K – 610 K	560 K – 610 K
Turkey	312 K	350 K – 380 K	350 K – 380 K
Romania	180 K	210 K – 230 K	210 K – 230 K
Wholesale Volume	610 K	660 K – 720 K	660 K – 720 K
Total Production Volume	590 K	650 K – 700 K	650 K – 700 K
Turkey	399 K	400 K – 430 K	400 K – 430 K
Romania	191 K	250 K – 270 K	250 K – 270 K
Capex (fixed assets)	€ 900 mn	€ 900 – 1,000 mn	€ 900 – 1,000 mn
General Investments	€ 96 mn	€ 170 - 190 mn	€ 170 - 190 mn
Product Related Investments	€ 804 mn	€ 730 - 810 mn	€ 730 - 810 mn

**Guidance for 2024 Total Automotive Market has been revised upwards due to the strong demand expected in the market throughout the year. Guidance related to Ford Otosan remained unchanged.*

Ford Otosan provides guidance 4 times a year as part of quarterly financial statements. This is the third guidance issued for 2024 as part of 1H24 results in August.



Thank You